

# CITY COUNCIL AGENDA REPORT

**SUBJECT:** Resolution Approving Recordation of Final Map for Towncenter Industrial Plaza; Authorization to Accept Trust Deed in lieu of Surety Bonds for Off-Site Improvements; Authorization to Execute the Subdivision Improvement Agreement between City and Towncenter.

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**AGENDA DATE:** October 7, 2008

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**PREPARED BY:** Tony Wong, P. E., City Engineer

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**APPROVED FOR AGENDA BY:** Ralph Velez, City Manager

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**RECOMMENDATION:** (1) Authorize the City Manager to execute the Subdivision Improvement Agreement with Towncenter Plaza which allows Towncenter to execute a trust deed in lieu of surety bonds; (2) Approve the resolution authorizing the recordation of the Final Map for Towncenter Industrial Plaza Subdivision FM059-020-07 (conditioned upon the City receiving and reviewing all documents necessary to complete the transaction through the escrow process); and (3) Direct staff to take all actions necessary to proceed with the recordation of the Final Map through an escrow process.

**FISCAL IMPACT:** Subdivider will pay all applicable City fees as adopted by the City Council and to be determined by the Development Services Department.

## **BACKGROUND INFORMATION: (Prior action/information):**

The following Resolutions have been approved by Planning Commission and confirmed by City Council:

1. Resolution No. 2007-01 was approved for Final Mitigated Negative Declaration on January 22, 2007 for Towncenter Industrial Plaza on Subdivision Case UA No. 2006-18.
2. Resolution No. 2007-02 for was approved for the Towncenter Tentative Map on January 22, 2007.

These resolutions approved the Towncenter Tentative Map. The resolutions contained conditions that were to be fulfilled prior to final map recordation. Pursuant to state law, once the developer completes all such tentative map conditions, the Council must approve the final map for recordation.

## **DISCUSSION (Current consideration):**

Outstanding Improvements/Security:

As is very common with final map recordation, the Developer in this case has some tentative map outstanding conditions that are proposed to be completed after final map recordation. Government Code section 66462(a) allows for the City to record a final map that still has some outstanding conditions if the City and the developer enter into a subdivision improvement agreement accompanied by adequate security for the subsequent completion of the improvements. The Subdivision Improvement Agreement attached to this report sets forth terms to secure the remaining obligations by the Developer.

The Government Code allows the City to accept various forms of security along with the Subdivision Improvement Agreement from the developer to secure the completion of the outstanding improvements in exchange for the recordation of the map. In this case, the Developer has the remaining issues to complete: (1) installation of on-site streetlights; (2) requirement to provide a maintenance and/or warranty bond for at least one year on certain on-site improvements; and (3) construction of various off-site improvements on Cole Road and Sunset Boulevard.

The Developer has provided the appropriate surety bonds for Items 1 and 2 above. As for the off-site improvements on Cole Road and Sunset Blvd identified under Item 3 above, the Developer has proposed to provide the City with a trust deed on Lot 2 and Lot 5 in the Towncenter Industrial Plaza as security in lieu of a surety bond. Cities are allowed to accept trust deeds as a form of security pursuant to Government Code section 66499. The City ordinance does not specifically allow trust deeds, however, there is a proposed urgency ordinance on the agenda tonight that will make the change to the ordinance to clearly specify that trust deeds are allowed.

The amount of security for the remaining off-site improvements required by the City Engineer is \$2,809,373.33. The Developer has submitted excerpts of its appraisal on the Towncenter Industrial Plaza to verify that the combined value of Lots 2 & 5 exceed the amount of \$2,809,373.33 (see attached excerpts from the appraisal). Lot 2 on the Final Map is 8.02 acres and Lot 5 on the Final Map is 6.1 acres. Therefore, based on the appraisal, the price per square foot is in about the \$5.25 range making the combined value of the two parcels to be approximately \$3,536,632.

The trust deed gives the City first position liens on Lots 2 and 5. If the secured improvements are not completed within 24 months of execution of the trust deed, then the City is allowed to initiate a non-judicial foreclosure on each parcel. This process is a much shorter process than a normal foreclosure process which requires court action. The trust deed attached essentially only requires a short notice period prior to the City placing the parcels up for a foreclosure auction. At the auction, the City will be given a credit bid in the amount of \$2,809,373.33 so that the City can purchase the lots for itself if it desires or the lots can be sold to another buyer to allow the City to have the money from the purchase to pay to construct the improvements.

Due to the fact that the trust deed cannot be recorded until after the Final Map is recorded (because Lots 2 and 5 are not legal lots until the Final Map is recorded), the City has required that an escrow account be set up so that all documents related to this transaction can be handled and recorded in succession by a title officer. As part of the escrow, the Developer will also be paying off its lenders for Lots 2 and 5 so that there will be no liens

on the subject lots to allow the City to have first priority. Therefore, all required payoff funds from the Developer will be deposited into escrow prior to the recording of the Final Map. The City will require that all pertinent documents necessary for this escrow process are in the hands of the escrow officer prior to authorizing the final map to be recorded. Further, the City has required that a clean title report for each lot be provided immediately after Final Map recordation. The Developer has agreed not to close escrow on any lot with the subdivision until the City has received its clean title reports for Lots 2 and 5, and the language evidencing that agreement is included in the attached Subdivision Improvement Agreement.

The current situation with the Towncenter Industrial Plaza is not the typical situation found at the final map recordation stage because in this case, the Developer is not the one who will be constructing the off-site improvements which are the subject of the trust deed. The City has been awarded an EDA grant of 3 million dollars to complete the off-site improvements and necessary infrastructure due to the fact that this proposed project will generate jobs for the community. The City is requiring the Developer to provide 1.5 million in matching funds before the City will be able to utilize the EDA grant money. Therefore, once the 1.5 million is provided to the City, the City will control the construction and completion of these off-site improvements. In fact, the Subdivision Improvement Agreement provides that the trust deed on Lot 5 will be released when the City has received the 1.5 million in matching funds from the Developer. The trust deed on Lot 2 will be released when the City has fully completed the improvements. Because the City will have the full amount of money to construct the improvements and will be the one controlling the construction, Staff is recommending that the City accept the trust deed as security instead of a typical surety bond. Usually, the developer is the one who will construct the improvements, therefore a surety bond that covers the entire length of construction and provides a warranty after construction is necessary to provide security for the completion of the improvements. In this case, the City will control the construction and will receive warranties under the contracts it enters into with the contractors. If for some reason, the City does not utilize the EDA grant funds and construct the improvements, the Developer will have two years to complete the off-sites; and if that is not accomplished, the City will have security via the trust deed to allow for foreclosure/auction on Lots 2 and 5.

#### Other Requirements of Final Map:

CORE Engineering has substantially completed the project's final map and improvement plans with the exception of the Cole Road and Sunset Blvd off-site improvements for the above-referenced subdivision. All improvements are secured in bonds and/or a form of surety as per Attachment Packet B.

The City Engineer, Tony Wong, has reviewed the Towncenter Industrial Plaza Final Map, Resolution No. 08-XX, Subdivision Guarantee, Title Report, Subdivision Surety Agreement, Labor and Material Bonds, Subdivision Faithful Performance Bonds, and Performance Trust Deed for Lots 2 and 5. There will not be a monument bond required because the monuments have been set in accordance with the Final Map. The City Engineer finds that the Final Map application with the above-described Subdivision Improvement Agreement (with security) are in substantial conformance with the tentative map conditions and that Council can approve the final map for recordation (See Attachment Packets A & B).

Conditions 63-70 of the tentative map resolution have been checked and the Developer has paid all applicable fees and fair share costs. Other conditions (taxes, liens and special assessments) will be complied with prior to the recording of the attached packet B.

**Staff recommends that the Council (1) authorize the City Manager to execute the Subdivision Improvement Agreement with Towncenter Plaza which allows Towncenter to execute a trust deed in lieu of surety bonds; (2) Approve the resolution authorizing the recordation of the Final Map for Towncenter Industrial Plaza Subdivision FM059-020-07 (conditioned upon the City receiving and reviewing all documents necessary to complete the transaction through the escrow process); and (3) Direct staff to take all actions necessary to proceed with the recordation of the Final Map through an escrow process.**

**Attached to this report are:**

See Attachment Packets A & B

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**Agenda Item No. \_\_\_\_\_**

**Page\_\_\_\_\_ Of \_\_\_\_\_**

## Attachment Packet A

1. Resolution No. 2007-01  
A resolution of the Planning Commission of the City of Calexico adopting and Certifying Mitigated Negative Declaration for the Towncenter Industrial Plaza Subdivision.
2. Resolution No. 2007-02  
A resolution of the Planning Commission of the City of Calexico approving Tentative Tract Map for the Towncenter Industrial Plaza to allow for the subdivision of 132 acres of land into 48 parcels for industrial and commercial purposes, and other public facilities UA No. 2006-18.
3. Towncenter Industrial Plaza Subdivision– Final Map (7 Sheets)

## Attachment Packet B

1. Resolution No. 08-XX A resolution of the City Council of the City of Calexico approving Final Map of Towncenter Industrial Plaza Subdivision.
2. Subdivision Surety Agreement – Towncenter Plaza, LLC & City of Calexico.
3. Labor & Materials and Performance Bonds- Towncenter Industrial Plaza Subdivision On-site Maintenance Bond No. \_\_\_\_\_ in the amount of **\$650,000.00.**
4. Labor & Materials and Performance Bonds for the outstanding amount of uncompleted on-site work (street lights) estimated at **\$100,000.00.**
5. Trust Deed for Lots 2 & 5 of the Towncenter Industrial Plaza to secure the amount of \$ **2,809,373.33**, for off-site street improvements.
6. Payment of \$950,000 to the fair share fund prior to City Council approval of final map for \_\_\_\_\_.
7. Monument Bond – Certification Letter from the Engineer or Surveyor of Record who prepared the map that all monuments per the tract map have been set with the verification from the City Inspector (Letter attached).
8. Subdivision Guarantee (within 3 months of recordation) and must be the same as the map that was previously checked. Any change will require corrections on either the map or the report.
9. Preliminary Title Report (within 3 months of recordation) and must be the same as the map that was previously checked. Any change will require corrections on either the map or the report.
10. Tax Clearance from County Assessor.

## Attachment Packet A

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A resolution of the Planning Commission of the City of Calexico adopting and Certifying Mitigated Negative Declaration for the Towncenter Industrial Plaza Subdivision.
2. Resolution No. 2007-02  
A resolution of the Planning Commission of the City of Calexico approving Tentative Tract Map for the Towncenter Industrial Plaza to allow for the subdivision of 132 acres of land into 48 parcels for industrial and commercial purposes, and other public facilities UA No. 2006-18.
3. Towncenter Industrial Plaza Subdivision– Final Map (7 Sheets)

## ATTACHMENT PACKET A – ITEM 1

1. RESOLUTION NO. 2007-01  
A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CALEXICO ADOPTING AND CERTIFYING MITIGATED NEGATIVE DECLARATION FOR THE TOWNCENTER INDUSTRIAL PLAZA SUBDIVISION.

RESOLUTION 2007-01

A RESOLUTION OF THE PLANNING COMMISSION OF  
THE CITY OF CALEXICO ADOPTING AND  
CERTIFYING MITIGATED NEGATIVE DECLARATION  
FOR THE TOWNCENTER INDUSTRIAL PLAZA  
SUBDIVISION (UA NO. 2006-18)

Project title: UA No. 2006-18, Towncenter Industrial Plaza

Project description: The project involves the development of approximately 132 acres with associated subdivision tentative map with the proposed existing land use.

Project location: Proposed development of a 132 acre property located at the west side of the city limit boundary and the Union Pacific Railroad (UPRR), east of SR 111, south of the Central Main Canal (CMC), and north of Cole Blvd.

Project Applicant: Canyon Capitol Marketing, Inc.  
12365 Sherann Drive  
Lakeside, CA 92040  
c/o Core Engineering Group, PLLC  
183 E. 24<sup>th</sup> Street, Suite 3  
Yuma, AZ 85364

WHEREAS, an application has been filed with the City of Calexico by Canyon Capitol Marketing, Inc, to request approval for the subdivision of 132 acres of land into 48 parcels for industrial and commercial purposes;

WHEREAS, based on the Initial Study & Environmental Checklist prepared for the proposed project, staff recommends and finds that a Mitigated Negative Declaration will comply with the requirements of CEQA for the proposed project;

WHEREAS, the Planning Commission as Lead Agency of the City of Calexico has met all requirements contained under Section 15070, Article 6 "Negative Declaration Process" of the CEQA Guidelines;

WHEREAS, the Planning Commission as Lead Agency of the City of Calexico has been delegated with the responsibility of adopting CEQA clearance documents pursuant to 15074 of CEQA Guidelines; and

WHEREAS, public notice of said application has been given, and the Planning Commission has considered evidence presented by the Development Services Department and other interested parties at a public hearing held with respect to this item on January 22, 2007.

SECTION 1. Findings pursuant to CEQA

The following are Mandatory Findings of Significance in accordance with Section 15065 of the CEQA Guidelines.

*Item 1*

- a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory? Less Than Significant With Mitigation Incorporated

*Implementation of the proposed project will not degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory. As detailed in Section IV, Biological Resources, the proposed project will not result in any significant impacts to biological resources with the incorporation of listed mitigation measures. Additionally, as detailed in Section V, Cultural Resources, the proposed project will not result in any impacts to historical or archaeological resources with implementation of listed mitigation measures. Therefore, with incorporation of biological resources mitigation measures, a less than significant impact is identified.*

- b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.) Less Than Significant Impact With Mitigation Incorporated

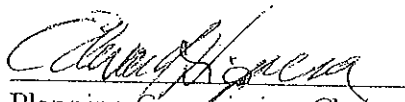
*Based upon the analysis conducted in Sections I through XVI, implementation of the proposed project would create impacts to traffic that are individually limited but are considered considerable when viewed in connection with the effects of other projects. However, with the inclusion of prescribed mitigation, the effects of the proposed project would not be considerable. Therefore, a less than significant impact is identified for this issue area.*

- c) Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly? Less Than Significant Impact With Mitigation Incorporated

*Based upon the analysis conducted in Sections I through XVI, implementation of the proposed project will not cause a substantial adverse effect on humans. Impacts identified for the project relate to biological resources, geology and traffic. Mitigation measures have been included to reduce all impact to below a level of significance. Mitigation Measures: None required.*

**SECTION 2.** That the Planning Commission of the City of Calexico adopts Mitigated Negative Declaration for the Towncenter Industrial Plaza incorporated herein by reference as exhibit "B" for the Towncenter Industrial Plaza Subdivision.

Passed, approved and adopted this 22nd day of January 2007, by the city of Calexico Planning Commission.

  
Planning Commission Chairman  
Edward Higuera

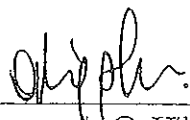
I, Armando G. Villa – Secretary to the Planning Commission of the City of Calexico do hereby certify that the foregoing Resolution was duly passed and approved at the regular meeting of the Planning Commission held on the 22nd day of January 2007, by the following vote to-wit:

AYES: Commissioners: Higuera, Hermosillo, Asaid, Hargrave, Martinez

NOES: Commissioners:

ABSENT: Commissioners:

ABSTAIN: Commissioners:



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Armando G. Villa,  
Secretary to the Planning Commission

## ATTACHMENT PACKET A – ITEM 2

2. RESOLUTION NO. 2007-02  
A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CALEXICO APPROVING TENTATIVE TRACT MAP FOR THE TOWNCENTER INDUSTRIAL PLAZA TO ALLOW FOR THE SUBDIVISION OF 132 ACRES OF LAND INTO 48 PARCELS FOR INDUSTRIAL AND COMMERCIAL PURPOSES, AND OTHER PUBLIC FACILITIES UA NO. 2006-18.

RESOLUTION 2007-02

A RESOLUTION OF THE PLANNING  
COMMISSION OF THE CITY OF CALEXICO  
APPROVING TENTATIVE TRACT MAP FOR THE  
TOWNCENTER INDUSTRIAL PLAZA TO ALLOW  
FOR THE SUBDIVISION OF 132 ACRES OF LAND  
INTO 48 PARCELS FOR INDUSTRIAL AND  
COMMERCIAL PURPOSES, AND OTHER PUBLIC  
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Project title: UA No. 2006-18, Towncenter Industrial Plaza

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Project location: Proposed development of a 132 acre property located at the west side of the city limit boundary and the Union Pacific Railroad (UPRR), east of SR 111, south of the Central Main Canal (CMC), and north of Cole Blvd.

Project Applicant: Canyon Capitol Marketing, Inc.  
12365 Sherann Drive  
Lakeside, CA 92040  
c/o Core Engineering Group, PLLC  
183 E. 24<sup>th</sup> Street, Suite 3  
Yuma, AZ 85364

WHEREAS, an application has been filed with the City of Calexico by Canyon Capitol Marketing, Inc, to request approval for the subdivision of 132 acres of land into 48 parcels for industrial and commercial purposes;

WHEREAS, the Planning Commission of the City of Calexico has been delegated with the responsibility of approving Subdivisions pursuant to Section 16.12.020; and

WHEREAS, public notice of said application has been given, and the Planning Commission has considered evidence presented by the Development Services Department and other interested parties at a public hearing held with respect to this item on January 22, 2007.

NOW THEREFORE, the Planning Commission of the City of Calexico DOES HEREBY RESOLVE as follows:

**SECTION 1.** The Planning Commission has considered the proposed subdivision of the 132 acres of land into 48 commercial and industrial parcels. The Planning Commission finds and determines that this project will require adoption of a Mitigated Negative Declaration under a separate resolution pursuant to the CEQA Guidelines.

*Item 2*

**SECTION 2.** That in accordance with Chapter 16 "Subdivisions" of the City of Calexico Municipal Code and the State of California Subdivision Map Act, the following Findings for the approval of the subdivision have been made as follows:

1. The proposed map is consistent with the City of Calexico's General Plan.
2. The design and improvements of the proposed subdivision are consistent with the city of Calexico's General Plan.
3. The site is physically suitable for the proposed density of project development because the land is level.
4. The site is physically suitable for the proposed density of development because the project has access from adequate public road systems.
5. The design for the proposed project will not cause substantial damage or substantially injure wildlife or their habitat.
6. The design of the subdivision or the type of improvements do not conflict with easements, acquired by the public at large, for access through, or use of property within the proposed subdivision, as defined under section 66474 of the Government Code, State of California.
7. The division and development of the property in the manner set forth on the approved Tentative Tract Map will not unreasonably interfere with the free and complete exercise of the public entity of public utility right-of-way or easement.

**SECTION 3.** That the Planning Commission of the City of Calexico approves Subdivision for the Towncenter Industrial Plaza, attached hereto as Exhibit A, subject to the following conditions:

The following conditions shall be complied with before a Final Map is approved by the City Council and filed with the County Recorder of Imperial County (and, where specifically indicated, shall also be complied with prior to issuance of grading or other permits as specified)

CONDITIONS OF APPROVAL FOR THE TOWNCENTER  
INDUSTRIAL PLAZA SUBDIVISION

Planning Commission Corrections

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Added text will be *Italicize* verbiage

GENERAL CONDITIONS

The following conditions shall be complied with before a final map is approved by the PLANNING COMMISSION/~~CITY COUNCIL~~ and filed with the County Recorder of Imperial County (and, where specifically indicated, shall also be complied with prior to issuance of grading or other permits as specified)

CONDITIONS OF APPROVAL

GENERAL CONDITIONS

1. Tentative Tract Map for the Towncenter Industrial Plaza will expire two (2) years from date of approval unless within that period of time a final map has been filed with the County Recorder, or an extension of time is granted by the City of Calexico Planning Commission in accordance with the Subdivision Map Act.
2. Tentative Tract Map for the Towncenter Industrial Plaza shall comply with the State of California Subdivision Map Act and shall comply with all applicable requirements of the Calexico Municipal Code, Title 16 unless modified by approved Conditions of Approval.
3. The applicant shall defend (with counsel acceptable to the City), indemnify, and hold harmless the City, its Official, Officers, Employees, and Agents from any claim, action, or proceeding against the City, its Official, Officers, Employees, or Agents to attach, set aside, void, or annul an approval of the City, its advisory agencies, appeal boards, or legislative body concerning Towncenter Industrial Plaza, which action is brought within the time period provided for in California Government Code Sections 65009 and/or 66499.37, and Public Resources Code Section 21167. The City will promptly notify the Applicant of any such claim, action, or proceeding against the City and will cooperate fully with the defense. If the City fails to promptly notify the Applicant of any such claim, or proceeding, the Applicant shall not, thereafter, be responsible to defend, indemnify, or hold harmless the City.
4. Prior to issuance of any grading permit or building permit, subdivider shall sign and complete an "Acknowledgment of Conditions" and shall return the executed original to the Development Services Department.

5. Comply with the Mitigation Monitoring Program adopted as part of the Mitigated Negative Declaration for the Towncenter Industrial Plaza.
6. Prior to the issuance of the 1<sup>st</sup> building permit for any parcel within this subdivision, the project proponent will be required to submit for approval by the Director of Development Services a Uniform Sign Program.
7. Improve or guarantee the necessary street improvements in conformance with the project corridor traffic study that will mitigate potential traffic impacts to include: all the specific conditions and the mitigation measures as specified herein and the mitigation monitoring program.
8. Improve or guarantee the improvement of the necessary water and sewer line extensions from the city of Calexico to service the proposed project at the expense of the developer based on the updated Service Area Plan to the satisfaction of the City Engineer.
9. Dedicate the necessary right-of-way and land to the appropriate jurisdictions (i.e., street, park dedication, etc.) as shown in the subdivision tentative map, to the satisfaction of the City Engineer.
10. Create a financing mechanism (assessment district and/or maintenance district) to support the ongoing maintenance of the ~~parks, schools, landscaping, lighting~~ and regional drainage services, storm water retention system facilities, ~~fire/police services~~. *Deleted by the Planning Commission.*
11. Prior to submittal of any improvement plan for plan check, geotechnical study and soils report of the project site shall be conducted to the satisfaction of the City Engineer. An approved copy of the geotechnical study and soils report, in accordance with the subdivision map act, applicable codes, and city standards, shall be submitted with the improvement plans.
12. The developer shall submit and receive an NPDES permit from the regional water quality control board in accordance with a storm water pollution prevention plan approved by the City Engineer. The storm water pollution prevention plan shall include best management practices (BMP's).
13. A site specific drainage study in conformance with the sub-regional storm water retention system shall be conducted by a registered hydraulic engineer and submitted for review and approval by the city and IID. The drainage study may incorporate temporary retention basins; however, the design of the drainage system shall be in conformance with the City's sub-regional storm water retention system.
14. Any temporary relocation of private or IID canals and drainage ditches shall be approved by IID.

15. All retention facilities and drainage improvements shall be installed to the satisfaction of the City Engineer.
16. Temporary retention basin(s) shall be required to retain all the appropriate runoff of the entire area (streets and lots) until a regional storm drain facility becomes available. The cost of the temporary retention basin shall be the responsibility of the developer. The temporary retention basin(s) shall be sized for a 100-year/24-hour storm and bonded for removal to the satisfaction of the City Engineer.
17. Prior to submittal of improvement plans, the applicant shall provide the following master plans, to the satisfaction of the City Engineer:
  1. Water ~~master tract~~ plan (including domestic and fire flow analysis)
  2. Sewer ~~master tract~~ (including sewer capacity flow and calculations)
  3. Drainage master plan (including both hydrology and hydraulic calculations)
  4. Street classification and traffic circulation master plan
  5. Master Utilities plan as required by other jurisdictions.
18. All Master plans and improvements plans shall be in conformance with chapter III of the city standards entitled "City of Callexico Design Procedures and Improvement Standards" updated December 1, 2005 herein called City Standards and any subsequent revisions and modifications and as specified in these conditions.
19. Fire hydrants shall be placed not more than 300 ft apart and nor more than 300 ft from buildings.
20. The developer shall participate in the project's pro-rated share of the costs for the improvement of the Mitigated Measures as identified in the EIR/MND, or at the discretion of the City of Callexico, be responsible for the improvement of the portion of the improvement identified in the Technical Study.

#### STREET IMPROVEMENTS AND TRAFFIC CIRCULATION

21. Primary arterials, collectors, and local site access streets of applicable street right-of-way widths shall be dedicated.
22. Improve or guarantee the improvement of road improvements and participate in a fair share contribution, as per requirements of the tentative map and the specific conditions. The road improvements and fees for primary arterials and collector streets shall be in accordance with the City of Callexico service area plan, benefit assessment areas, special infrastructure fee, and impact fee program to the satisfaction of the City Engineer.

23. Developer shall retain qualified California registered civil engineer for design services in accordance with the City Standards.
24. Improvement plans, record maps, traffic control plans, and intersection "stop" sign control plans for all interior streets shall be prepared to the satisfaction of the City Engineer.

#### BONDS AND SURETY

25. Prior to the submittal of bonds, the applicant/developer/design engineer shall submit construction cost estimate for all required improvements using City's provided unit cost items and standards for review and approval.
26. The developer shall submit and provide all required improvement bonds and surety to the satisfaction of the City Engineer.

#### IMPACT FEES AND FAIR SHARE ASSESSMENT FEES

##### IMPACT FEES

27. The developer shall document and make payment of development impact fees for police services in accordance with the CITY COUNCIL adopted standards (2006-2007) and formulas (City Ordinance 1036) that are in effect at the time.
28. The developer shall document and make payment of development impact fees for fire protect services in accordance with the CITY COUNCIL adopted standards (2006-2007) and formulas (City Ordinance 1036) that are in effect at the time, to the satisfaction of the City Manager.
29. The developer shall document payment of school impact fees for Calexico Unified School District, as determined by state law, to the satisfaction of the Calexico Unified School District.
30. The developer shall document and make payment of development impact fees for park and recreation facilities and services in accordance with the CITY COUNCIL adopted standards (2006-2007 City Ordinance 1036).
31. The developer shall document and make payment of development impact fees for public general government/library facilities and services in accordance with the CITY COUNCIL adopted standards (2006-2007) and formulas (City Ordinance 1036) that are in effect at the time, to the satisfaction of the City Manager.
32. The developer shall document and make payment of development impact fees for transportation/traffic/street facilities and services in accordance with the CITY COUNCIL adopted standards (2006-2007) and formulas (City

Ordinance 1036) that are in effect at the time, to the satisfaction of the City Manager.

33. The developer shall document and make payment of development impact fees for administrative services in accordance with the CITY COUNCIL adopted standards (2006-2007) and formulas (City Ordinance 1036) that are in effect at the time, to the satisfaction of the City Manager.
34. The developer shall document and make payment of development impact fees for sewer and water facilities and services, in accordance with the CITY COUNCIL adopted standards (2006-2007) and formulas (City Ordinance 1036) that are in effect at the time, to the satisfaction of the City Manager.

#### FAIR SHARE FEES

35. The developer shall pay for all applicable fees. These fees shall included but not be limited to impact fees, special infrastructure fees, benefit area assessment fees, and engineering plan check and inspection fees as determined and conditioned therein.
36. In addition to the required development impact fees for streets, water, sewer, police, fire library, school and utility improvements, the developer shall participate in project's prorated share of the costs identified in the SPECIFIC CONDITIONS.

#### NOISE

37. A detailed acoustical analysis shall be conducted for residential uses within the vicinity of CNEL 60 DB or higher noise conditions; for office and professional buildings and recreational INDUSTRIAL facilities within 65 DB or higher conditions; and all other land uses, except agriculture, within 70 DB or high noise conditions. The developer shall construct sound walls or berms along major thoroughfares or provide other noise attenuation in order to achieve the general plan interior and exterior noise standards.

#### UTILITIES

38. The developer shall coordinate with the IID regarding the location, financing, designing, and phasing of required on-site electrical facilities.
39. The developer shall pay for the necessary upsizing of the water and/or sewer pipeline in order to connect into the existing water and/or sewer collection system.

#### SCHOOL

40. The project shall dedicate or pay a fee in-lieu of school site dedication in accordance with guidelines set by California Department of Education. Mitigation of school impact shall be documented by "Developer Agreement" executed by School District and Developer.

**Note:** Executed agreement shall be available prior to certification of resolutions for project approval.

Industrial and/or commercial developments may be exempted from this provision of the requirement (The developer/applicant shall verify the requirement with the School District).

## SPECIFIC CONDITIONS

### Street Circulation Element Conditions

41. Construct and signalize the new intersection of Cole Road and Sunset Boulevard with the following recommended intersection lane configurations:
- Two southbound left-turn traffic lane on Sunset Blvd;
  - One southbound right-turn traffic lane on Sunset Blvd;
  - Two eastbound through traffic lane on Cole Road;
  - One eastbound left-turn traffic lane on Cole Road;
  - One westbound right-turn traffic lane on Cole Road;
  - Two westbound through traffic lane on Cole Road.
42. Widen and fully improve north of the centerline of Cole Road along the entire project frontage within a 126-foot right-of-way for a future 4-lane Primary roadway.
43. Construct and fully improve west of the centerline of Sunset Boulevard along the entire project frontage within a 110-foot right-of-way for a future 4-lane Major roadway.
44. Construct a 4-foot raised concrete island on Cole Road to restrict the project access entrance on Cole Road west of Sunset Boulevard to right-in and right-out traffic movements only.
45. To minimize the number of access driveways on Sunset Boulevard, a common access driveway is to be shared between two adjacent lots.
46. Construct a concrete island is recommended on Cole Road between S.R. 111 and restrict Scaroni Road to left-turning traffic movements onto Cole Road.
47. Dedicate the easement required for the widening of Cole Road at the Southern Pacific Railroad crossing.
48. Other City-Wide Street Circulation Impacts:

Fair-share cost for roadway improvements will be determined as part of the MMP submitted with the project that may include but not be limited to the following:

- Widening and traffic signalization of the intersection of Cole Road and Kloke Road within its ultimate right-of-way;
- Widening of the intersection of Cole Road and Sunset Boulevard within its ultimate right-of-way;
- Widening of Cole Road between S.R. 111 and Dogwood Road within its right-of-way;
- Construction of the bridge on Sunset Boulevard over the Central Main Canal to accommodate four traffic lanes and extend Sunset Boulevard northerly to Jasper Road and southerly to Cole Road;
- Installation of a new traffic signal at the intersection of Cole Road and Van De Graaff Avenue;
- Widening Kloke Road between Jasper Road and S.R. 98 as a four-lane roadway within a 100-foot right-of-way;
- Construction of future interchanges at S.R. 111/Jasper Road and S.R. 111/Cole Road when S.R. 111 becomes a Freeway;
- Development and implementation of a Traffic Mitigation Monitoring Program (TMMP) to continuously monitor the operating levels of service for Jasper Road, Bowker Road, S.R. 111, S.R. 98 and each of the cumulative traffic impacted intersections;
- Development and implementation of a Master Computer System at City Hall for synchronizing and monitoring traffic signal timing operation and traffic flow on Jasper Road, Cole Road, Meadows Road, S.R. 111, S.R. 98.

### FAIR-SHARE CALCULATIONS

A fair-share analysis for the project's traffic impacts at each of the study intersections and Cole Road was performed; the results are summarized in Table F. The equation for calculating fair-share percentage is:

$$(\text{Project Traffic}) \div (\text{Existing} + \text{Project Traffic} + \text{Cumulative Project Traffic}) - (\text{Existing Traffic})$$

**TABLE F**

Location	Existing Traffic	Existing + Project + Cumulative Traffic from Other Projects	Project Traffic	Fair Share
New traffic signal at Cole Road and Kloke Road	1,617	7,312	708	12.5%
New traffic signal at Cole Road and Sunset Blvd	-	-	-	100%
New traffic signal at Cole Road and Van De Graaff	1,363	5,856	866	19.3%

Avenue				
Widening of Cole Road between Dogwood Road and SR 111	1,363	5,856	866	19.3%
Construction of Sunset Blvd bridge over Central Main Canal	-0-	10,500	1,144	10.9%
Concrete island on Cole Road between S.R. 111 and Scaroni Road	-	-	-	100% \$25,000 lump sum
Future interchange at S.R. 111 and Cole Road	6,531	-	866	To Be Determined
Future interchange at S.R. 111 and Jasper Road	5,429	-	164	To Be Determined

#### Drainage Element Conditions

49. The drainage element for all development shall comply with the City's Existing Drainage Facilities as defined in Section 5 of the Proposed Drainage Service Area Plan (DSAP) Report requirement and any modification herein or the General Plan Update that is in progress. The Sub-Regional Retention Basin Concept for the City of Calexico's Area 14 – West Jasper Road Area is identified at north of Cole Blvd and south of Jasper Road.
50. Integrate retention basin design with the City's master plan of retention basins to accompany the Sub-Regional Retention Basin Concept. Pay all costs as identified in the current DSAP including the amount of land require off-site in fair market value determination. Additionally, this will be maintained and setup of a Community Facility District (CFD).
51. Submit a master plan of hydrology and drainage map for review and approval prior to the submittal of the Phase 1 unit map and improvement plans including landscaping and irrigation plans.

#### Sewer Element Conditions

52. The developer shall construct all the improvements required including but not limited to a sewer main to convey the sewer flows generated by the subdivision that will run south and along Cole Blvd West under the UPRR crossing and the connection into existing gravity line near the Pruitt Road sewer line. Coordinate with the City for the exact layout and connection requirement. The sewer facilities must be in operation prior to the issuance of any certificate of occupancy.
53. Prepare a sewer master plan that is in accordance with the City's master sewer plan and to ascertain that the gravity lines will be able to accommodate the sewer flows generated by the development. The Developer is required to

construct all the necessary improvements to provide sewer services to the subdivision.

Water Element Conditions

54. Prepare a water master plan (water line layout and hydraulic calculations) that integrates with the City's Phase III and the south development water master plan to insure compliance of the City's current water master plan.
55. The developer shall construct all the improvements required including but not limited to a water main to convey the water flows generated by the subdivision that will run south and along Cole Blvd West under the UPRR crossing and the connection into existing line near the Pruitt Road water line. Coordinate with the City for the exact layout and connection requirement. The water facilities must be in operation prior to the issuance of any certificate of occupancy.
56. Provide a second connection of proper size at the eastside to form a loop connection for the water master plan as stated in item above.

Community Facility District (CFD)-Prior Recordation of any Final Map.

57. A maintenance and operation CFD of the Sub-Regional Retention Basin for drainage will also be required, *or provide a private system approved subject to the approval of the City Engineer.*

Fees

58. Pay all applicable fees (i.e. City's Standard Impact Fees, Special Infrastructure Fees, Benefit Assessment Fees, Plan Check and Inspection Fees, etc.) prior to recordation of any final maps, pulling of permits, and/or certificate of occupancy as per the City's standard and conditions.

Other Pertinent Conditions

59. Any work performed within the UPRR, Imperial County, IID R/W will require an encroachment permit from the applicable agency.
60. The developer shall be responsible for procuring any necessary permits or approvals from regulatory and/or resource agencies.
61. Provide utilities, conduits, and other telecommunications facilities (i.e. cable, fiber optic, etc.) from point "A" to any such facility as determined and approved by the Imperial Valley Telecommunications Authority Manager and to the satisfaction of the Utilities Services Director/City Engineer.

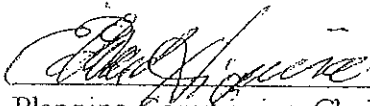
62. Comply with City's Design Procedures and Improvement Standards as updated on December 1, 2005 Design Manual.

SECTION 4: CONDITIONS FOR RECORDATION OF FINAL MAP

63. Final map shall not be approved until developer and city have entered into an agreement, which provides for traffic facilities, emergency services, water and sewer services, and area drainage, and other services specified as needed.
64. Approval is given subject to compliance of final map and improvement drawings with all applicable zoning and subdivision ordinance of the City of Calexico.
65. The necessary improvements as set forth in the approval of the tentative map have been installed and accepted by the city, or provided the subdivider submits satisfactory improvement plans together with the necessary guarantee that the improvements shall be installed.
66. Guarantee for installation of improvements shown on recorded final map shall be by surety bond or letter of credit. Use of real property lien, as guarantee for installation of improvements shown on recorded final map is not permitted, per city policy and/or applicable map act provisions.
67. The required plan and map checking and inspection fees must be paid to all affected divisions/departments/agencies.
68. Checking has been completed by the various departments and agencies.
69. Taxes, liens and special assessments have been paid or such payment is guaranteed.
70. All applicable conditions and compliance are in met with the city standards updated December 1, 2005 and all modifications and revisions thereon.

*Additional Corrections. Subdivision Map Exhibit shall reflect Cole Road as a 126' wide ultimate ROW.*

Passed, approved and adopted this 22nd day of January 2007, by the city of Calexico Planning Commission.

  
\_\_\_\_\_  
Planning Commission Chairman  
Edward Higuera

I, Armando G. Villa – Secretary to the Planning Commission of the City of Calexico do hereby certify that the foregoing Resolution was duly passed and approved at the regular

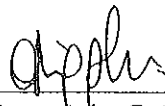
meeting of the Planning Commission held on the 22nd day of January 2007, by the following vote to-wit:

AYES: Commissioners: Higuera, Hermosillo, Asaid, Hargrave, Martinez

NOES: Commissioners:

ABSENT: Commissioners:

ABSTAIN: Commissioners:



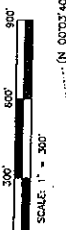
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Armando G. Villa,  
Secretary to the Planning Commission

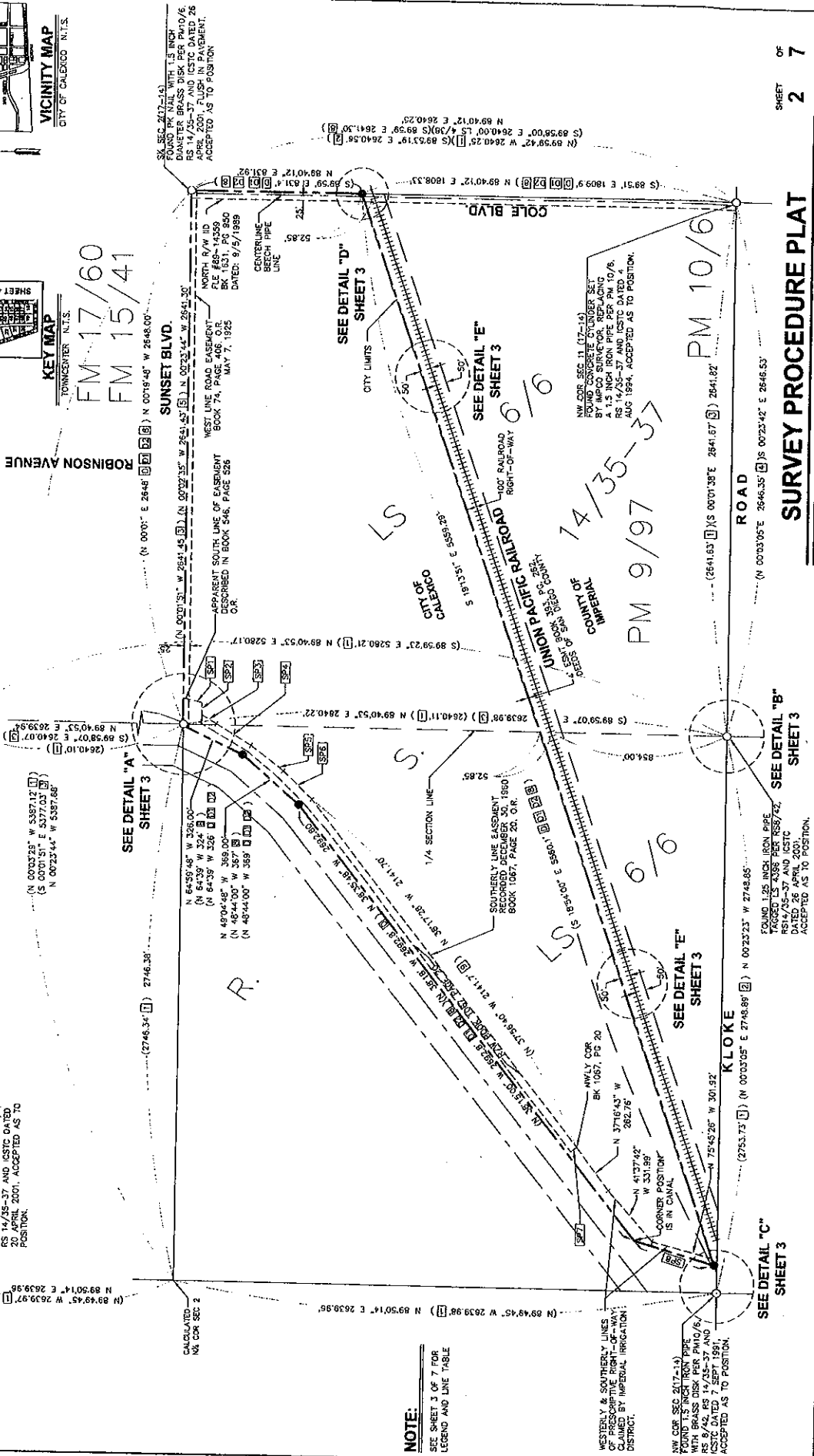
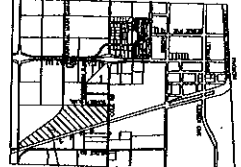
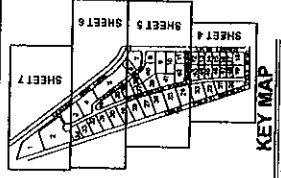
## ATTACHMENT PACKET A – ITEM 3

3. TOWNCENTER INDUSTRIAL PLAZA SUBDIVISION– FINAL MAP  
(7 SHEETS)





**FM 059-020-07 FINAL MAP**  
**TOWNCENTER INDUSTRIAL PLAZA**  
**IN THE CITY OF CALEXICO, IMPERIAL COUNTY, CALIFORNIA**



**NOTE:**

SEE SHEET 3 OF 7 FOR  
LEGEND AND LINE TABLE

WESTERLY & SOUTHERLY LINES  
WITH BRASS OR IRON PIPE  
CLAIMED BY IMPERIAL IRRIGATION  
DISTRICT.

NW COR SEC 21(7-14)  
FOUND 2.25 INCH IRON PIPE  
TAGGED LS 4388 PER RS 8/42,  
RS 14/35-37, AND CSDC DATED  
20 APRIL 2001, ACCEPTED AS TO  
POSITION.

SEE DETAIL "C"  
SHEET 3

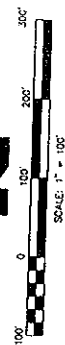
SEE DETAIL "E"  
SHEET 3

SEE DETAIL "B"  
SHEET 3

SEE DETAIL "E"  
SHEET 3

SEE DETAIL "D"  
SHEET 3





LINE	LENGTH	BEARING
L12	56.54'	N 44°38'14" E
L13	56.60'	N 45°21'46" W
L14	55.54'	N 44°38'14" E

CURVE	RADIUS	LENGTH	DELTA	TANGENT
CLZ	5,000.00'	1258.48'	14°25'16"	632.59'
CLS	5,000.00'	952.03'	11°22'04"	497.65'

CURVE	RADIUS	LENGTH	DELTA	TANGENT
C20	4,950.00'	76.54'	0.9533°	38.27"
C21	4,950.00'	239.65'	0.9533°	148.87"
C22	4,950.00'	267.59'	0.9533°	135.53"
C23	4,950.00'	312.74'	0.9533°	134.72"
C24	5,040.00'	186.56'	0.9709°	92.10"
C44	5,040.00'	143.21'	0.9709°	72.60"
C45	5,040.00'	172.47'	0.9573°	86.25"
C46	5,040.00'	172.00'	0.9573°	85.01"
C47	5,040.00'	168.31'	0.9414°	74.54"
C48	5,040.00'	162.08'	0.9335°	41.42"

SEE SHEET 3 OF 7 FOR LEGEND

INCREMENTAL DISTANCES DETERMINED BY PROPORTION AND/OR LINE DIVISION MAY NOT TOTAL OVERALL DISTANCES DUE TO ROUND OFF OF SIGNIFICANT FIGURES.

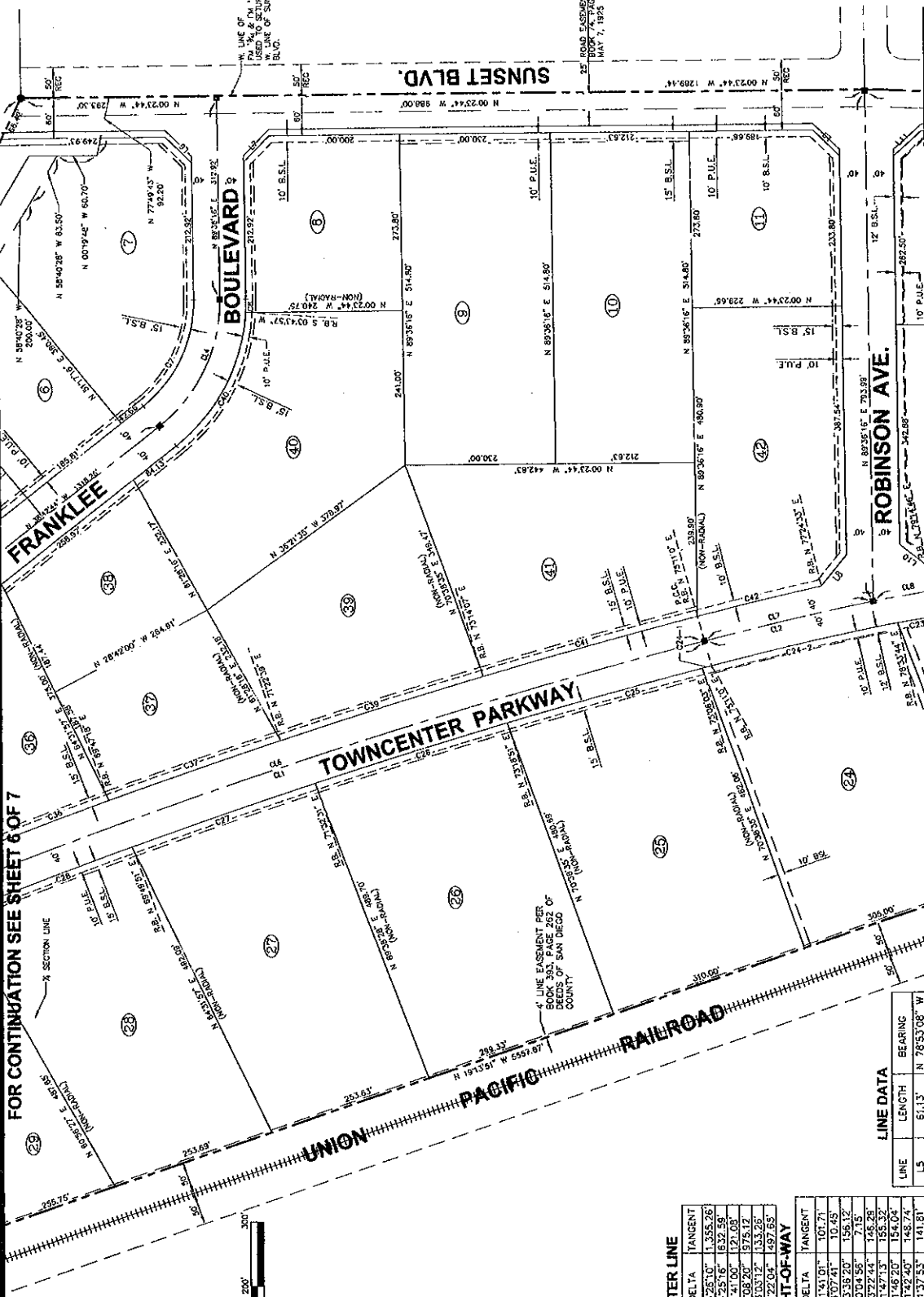
**PUBLIC UTILITY EASEMENTS**

PUBLIC UTILITY EASEMENTS HEREON ARE PROVIDED FOR CONSTRUCTION, OPERATION AND MAINTENANCE OF FACILITIES FOR ELECTRICAL POWER, TELEPHONE AND CABLE TELEVISION BY LOCAL UTILITIES AND COMPANIES PROVIDING SUCH SERVICES TO THE AREA AND, FOR CONSTRUCTION OF PUBLIC HANDICAP RAMP AND, FOR THE CONVEYANCE OF STORM WATER.

1. A 3/4" DIAMETER REBAR WITH PLASTIC CAP STAMPED "PLS 5397" WILL BE SET AT ALL REAR LOT CORNERS. A LEADED TACK WITH TAG MARKED "PLS 5397" WILL BE SET IN SIDEWALK OF CURB ON SIDE LOT LINES EXTENDED AS A REFERENCE CORNER. ALL CORNERS TO BE SET WITHIN 90 DAYS OF COMPLETION OF PUBLIC IMPROVEMENTS.

FM 059-020-07 FINAL MAP TOWNCENTER INDUSTRIAL PLAZA  
IN THE CITY OF CALEXICO, COUNTY OF IMPERIAL, STATE OF CALIFORNIA

FOR CONTINUATION SEE SHEET 6 OF 7



**NOTE:**  
SEE SHEET 3 OF 7 FOR LEGEND

**CURVE DATA AT CENTER LINE**

CURVE	RADIUS	LENGTH	DELTA	TANGENT
C1	10,000.00'	2,684.10'	152°00'	1,355.26'
C2	10,000.00'	2,684.10'	152°00'	1,355.26'
C3	10,000.00'	2,684.10'	152°00'	1,355.26'
C4	10,000.00'	2,684.10'	152°00'	1,355.26'
C5	10,000.00'	2,684.10'	152°00'	1,355.26'
C6	10,000.00'	2,684.10'	152°00'	1,355.26'
C7	10,000.00'	2,684.10'	152°00'	1,355.26'
C8	10,000.00'	2,684.10'	152°00'	1,355.26'

**CURVE DATA AT RIGHT-OF-WAY**

CURVE	RADIUS	LENGTH	DELTA	TANGENT
C7	210.00'	189.43'	51°41'01"	101.71'
C8	290.00'	20.90'	4°07'41"	10.45'
C23	4,950.00'	312.14'	03°38'20"	156.12'
C24-1	9,950.00'	14.34'	00°04'56"	7.15'
C24-2	4,950.00'	282.49'	03°37'44"	145.28'
C25	9,950.00'	310.58'	01°47'13"	155.32'
C26	9,950.00'	303.06'	01°48'20"	154.04'
C27	9,950.00'	287.48'	01°42'40"	145.74'
C28	9,950.00'	283.95'	01°37'53"	141.81'
C29	10,000.00'	247.75'	01°24'50"	123.90'
C30	10,000.00'	278.46'	01°35'20"	135.78'
C31	9,950.00'	265.00'	01°33'18"	127.77'
C32	10,000.00'	341.36'	01°36'53"	170.68'
C33	5,000.00'	195.80'	07°13'33"	97.91'

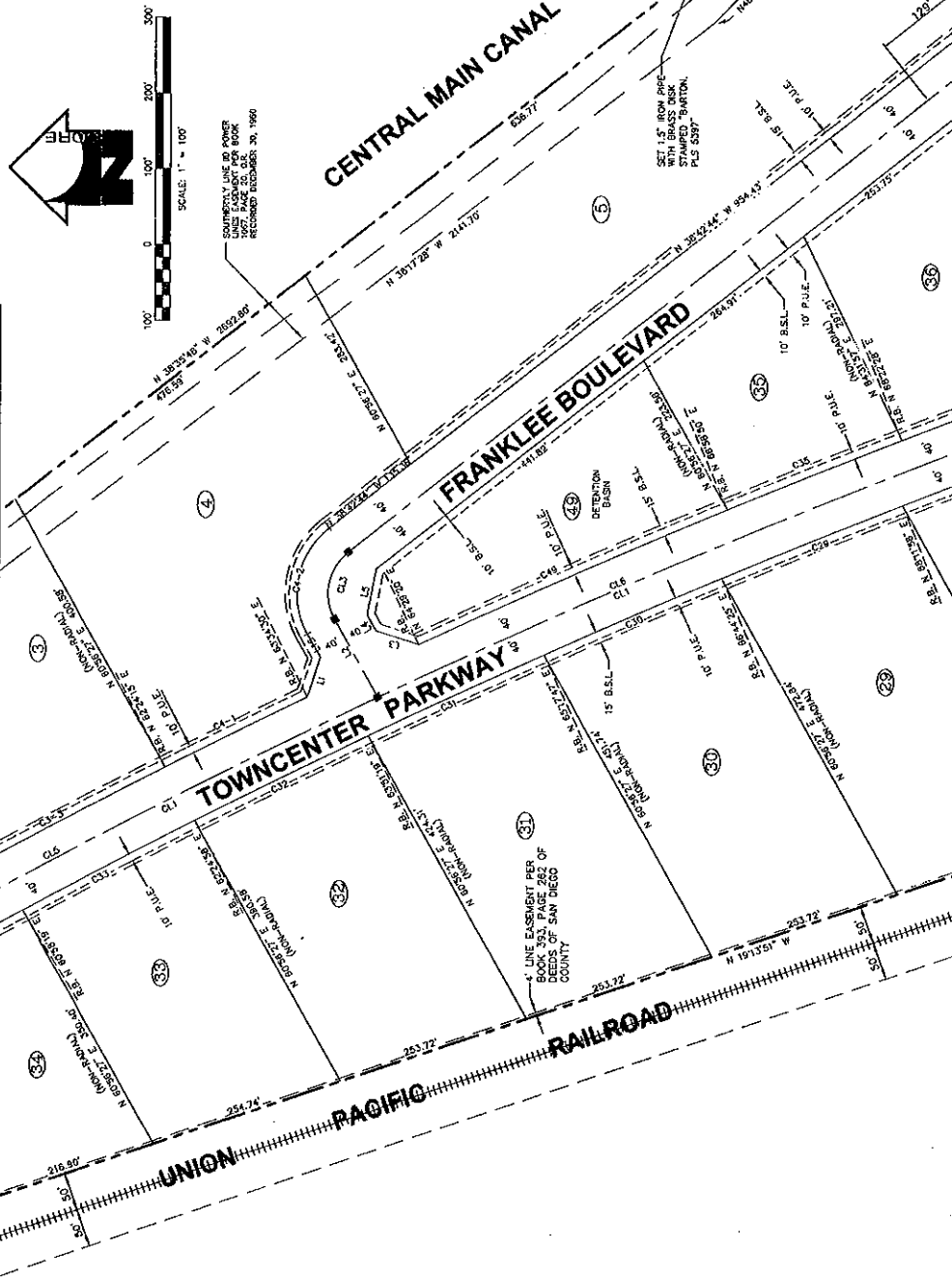
**LINE DATA**

LINE	LENGTH	BEARING
L3	51.13'	N 76°53'08" W
L4	55.57'	N 75°35'16" W
L5	55.57'	N 75°35'16" W
L6	55.57'	N 75°35'16" W
L7	55.57'	N 75°35'16" W
L8	55.57'	N 75°35'16" W
L9	55.57'	N 75°35'16" W
L10	55.57'	N 75°35'16" W
L11	55.57'	N 75°35'16" W

FOR CONTINUATION SEE SHEET 4 OF 7

FM 059-020-07 FINAL MAP TOWNCENTER INDUSTRIAL PLAZA  
IN THE CITY OF CALEXICO, COUNTY OF IMPERIAL, STATE OF CALIFORNIA

FOR CONTINUATION SEE SHEET 7 OF 7



NOTE:  
SEE SHEET 3 OF 7 FOR LEGEND

CURVE DATA AT CENTER LINE

CURVE	RADIUS	LENGTH	DELTA	TANGENT
C1	10,000.00	2,694.10	152°26'10"	1,355.26
C2	70.00	98.16	80°20'48"	59.10
C3	10,000.00	750.00	94°17'50"	375.17
C4	10,000.00	1,844.10	110°02'20"	975.12

CURVE DATA AT RIGHT-OF-WAY

CURVE	RADIUS	LENGTH	DELTA	TANGENT
C3-3	10,040.00	337.37	01°55'34"	165.78
C4-1	10,040.00	225.17	01°10'15"	102.59
C4-2	110.00	154.26	80°20'50"	92.87
C28	9,980.00	253.61	01°37'33"	126.81
C29	9,980.00	253.61	01°37'33"	126.81
C30	9,980.00	253.61	01°37'33"	126.81
C31	9,980.00	253.61	01°37'33"	126.81
C32	9,980.00	253.61	01°37'33"	126.81
C33	9,980.00	253.61	01°37'33"	126.81
C34-3	9,980.00	84.03	00°23'01"	42.03
C35	10,040.00	244.25	01°23'38"	122.12
C36	10,040.00	247.79	01°24'51"	123.90
C48	10,040.00	436.63	02°29'30"	218.35

LINE DATA

LINE	LENGTH	BEARING
L1	55.20'	N 72°41'05" W
L2	116.37'	N 60°36'27" E
L3	58.24'	N 17°39'28" E
L4	23.88'	N 80°36'27" E
L5	61.13'	N 78°33'08" E
L15	34.24'	N 60°36'27" E

DRAINAGE EASEMENT NOTE

EASEMENT LOT 49 IS PROVIDED FOR THE PURPOSE OF STORMWATER DETENTION; USE GUIDELINES AND COST SHARING SHALL BE ADDRESSED IN A SEPARATE AGREEMENT.

FOR CONTINUATION SEE SHEET 5 OF 7

FM 059-020-07 FINAL MAP  
TOWNCENTER INDUSTRIAL PLAZA  
IN THE CITY OF CALEXICO, IMPERIAL COUNTY, CALIFORNIA

LOT AREAS

LOT #	SQUARE FT.	ACREAGE	LOT #	SQUARE FT.	ACREAGE
1	251,848	5.01	25	147,523	3.38
2	155,858	3.54	26	135,074	3.10
3	163,838	3.59	27	135,074	3.10
4	188,932	4.28	28	135,074	3.10
5	255,835	5.81	29	135,074	3.10
6	65,363	1.50	30	113,704	2.68
7	108,900	2.50	31	109,637	2.52
8	84,917	1.94	32	101,922	2.34
9	118,424	2.72	33	93,125	2.14
10	109,461	2.51	34	67,560	1.55
11	62,032	1.43	35	63,310	1.50
12	67,659	1.55	36	62,883	1.50
13	43,950	1.00	37	56,539	1.30
14	51,524	1.19	38	54,378	1.25
15	51,524	1.19	39	100,157	2.30
16	45,023	1.03	40	117,054	2.69
17	45,023	1.03	41	112,289	2.58
18	29,072	0.67	42	103,319	2.37
19	29,072	0.67	43	48,782	1.11
20	71,892	1.65	44	54,490	1.25
21	70,403	1.62	45	52,123	1.20
22	90,989	2.09	46	44,109	1.01
23	124,741	2.86	47	43,735	1.00
24	136,504	3.13	48	75,283	1.73
25	146,377	3.35			

CURVE DATA AT CENTER LINE

CURVE	RADIUS	LENGTH	DELTA	TANGENT
CL-1	10,000.00	2,654.10	153° 10'	1,355.26
CL-5	10,000.00	750.00	64° 17' 50"	375.17

CURVE DATA AT RIGHT-OF-WAY

CURVE	RADIUS	LENGTH	DELTA	TANGENT
C1	80.00	41.45	26° 23' 16"	21.10
C2-1	80.00	241.29	153° 38' 44"	381.90
C2-2	50.00	86.88	89° 32' 14"	59.10
C3-1	80.00	65.92	41° 42' 36"	34.29
C3-2	100.00	73.61	42° 10' 22"	38.56
C3-3	10,040.00	337.51	01° 55' 34"	165.78
C34-1	80.00	68.11	43° 21' 41"	35.78
C34-2	100.00	74.89	42° 54' 32"	39.50
C34-3	9,950.00	84.07	00° 29' 01"	42.03

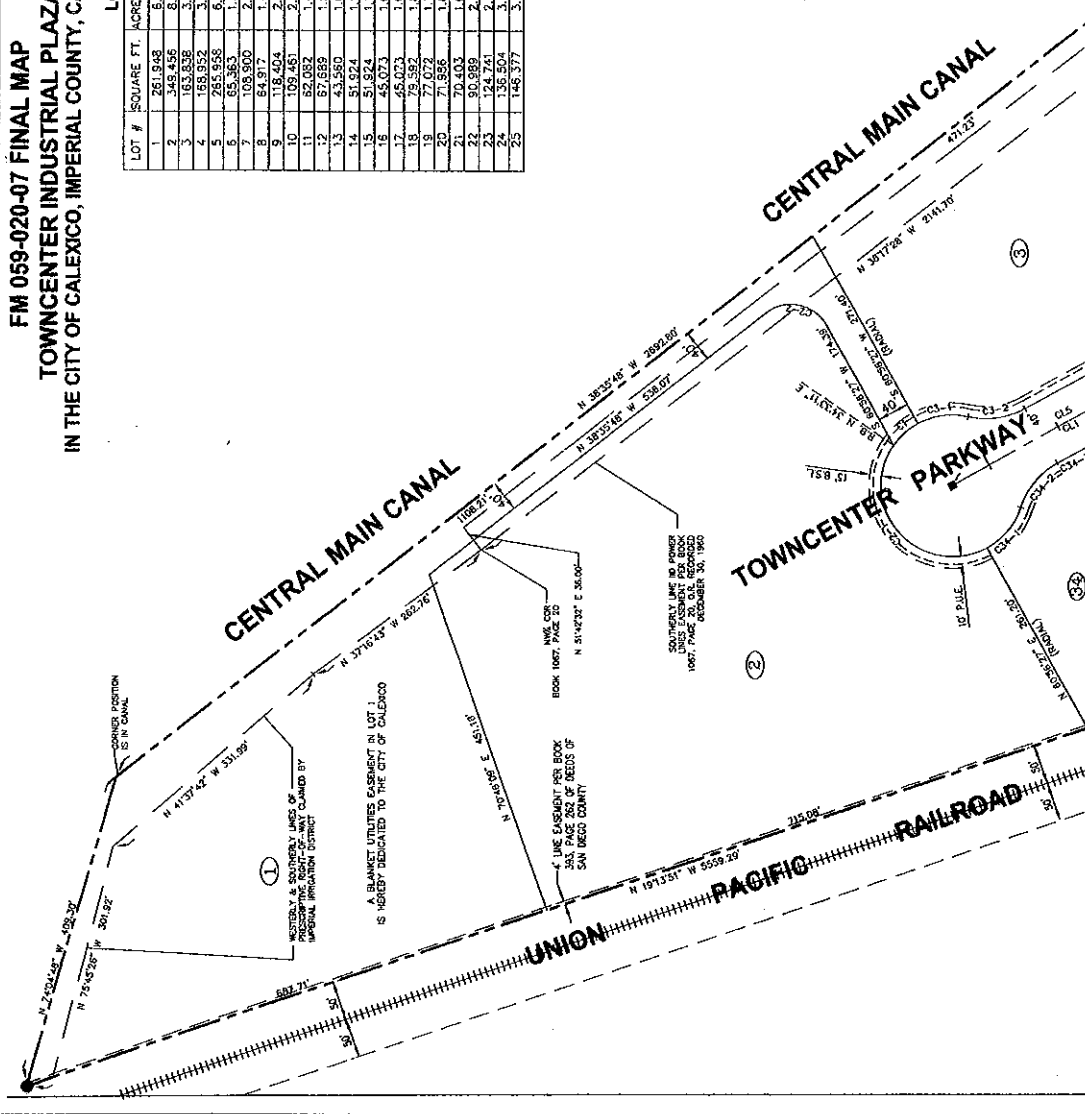
NOTE:

SEE SHEET 3 OF 7 FOR LEGEND

FM 059-020-07 FINAL MAP

TOWNCENTER INDUSTRIAL PLAZA

IN THE CITY OF CALEXICO, IMPERIAL COUNTY, CALIFORNIA



FOR CONTINUATION SEE SHEET 6 OF 7

## Attachment Packet B

1. Resolution No. 08-XX

A resolution of the City Council of the City of Calxico approving Final Map of Towncenter Industrial Plaza Subdivision.

2. Subdivision Surety Agreement – Towncenter Plaza, LLC & City of Calxico.
3. Labor & Materials and Performance Bonds- Towncenter Industrial Plaza Subdivision On-site Maintenance Bond No. \_\_\_\_\_ in the amount of **\$650,000.00.**
4. Labor & Materials and Performance Bonds for the outstanding amount of uncompleted on-site work (street lights) estimated at **\$100,000.00.**
5. Trust Deed for Lots 2 & 5 of the Towncenter Industrial Plaza to secure the amount of \$ **2,809,373.33**, for off-site street improvements.
6. Payment of \$950,000 to the fair share fund prior to City Council approval of final map for \_\_\_\_\_.
7. Monument Bond – Certification Letter from the Engineer or Surveyor of Record who prepared the map that all monuments per the tract map have been set with the verification from the City Inspector (Letter attached).
8. Subdivision Guarantee (within 3 months of recordation) and must be the same as the map that was previously checked. Any change will require corrections on either the map or the report.
9. Preliminary Title Report (within 3 months of recordation) and must be the same as the map that was previously checked. Any change will require corrections on either the map or the report.
10. Tax Clearance from County Assessor.

## ATTACHMENT PACKET B – ITEM 1

1. RESOLUTION NO. 08-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO  
APPROVING FINAL MAP OF TOWNCENTER INDUSTRIAL PLAZA  
SUBDIVISION.

**RESOLUTION NO. 08-\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO APPROVING  
FINAL MAP OF TOWNCENTER INDUSTRIAL PLAZA SUBDIVISION FM059-020-07**

Project Title & Description: Towncenter Industrial Plaza  
Subdivision of approximately 132 acres of land into 48 industrial use lots and one Retention Basin lot for drainage purpose.

Project Location: North of Cole Blvd and South of the Central Main Canal Between the Union Pacific Railroad at the West and Sunset Blvd at the East.

Project Application: Towncenter Plaza, LLC  
A California Limited Liability Company  
Kevin Smith, Manager  
138 East Cole Road, Suite 7  
Calexico, CA 92231

WHEREAS, on the 23rd day of July, 2008 the Calexico City Council reviewed and considered the above described project map application, and

WHEREAS, upon review of the City's staff report, comments from applicant and interested parties, and considerable comments of applicable local and state code regulations and requirements pertaining to the request, the City Council approved the Final Map of Towncenter Industrial Plaza FM059-020-07.

PASSED, APPROVED AND ADOPTED this the 23rd day of July 2008.

\_\_\_\_\_  
Luis Fuentes, Mayor

ATTEST:

\_\_\_\_\_  
Lourdes Cordova, City Clerk

Resolution No. 08-\_\_\_\_\_

Page 2

Approved as to Form:

\_\_\_\_\_  
Jennifer M. Lyon, City Attorney

State of California )  
County of Imperial ) ss.  
City of Calexico )

I, Lourdes Cordova, City Clerk of the City of Calexico, California do hereby certify that above and foregoing Resolution No. 08-\_\_\_\_\_ was duly passed, approved and adopted by the City Council at its regular meeting held on the 23rd of July 2008 by the following vote to-wit:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Lourdes Cordova, City Clerk

S E A L

## ATTACHMENT PACKET B – ITEM 2

2. SUBDIVISION SURETY AGREEMENT – TOWNCENTER PLAZA, LLC & CITY OF CALEXICO.

**Recording Requested By:**

City of Calexico

**And When Recorded Mail To:**

Armando Villa, Development  
Services Director  
City of Calexico  
608 Heber Avenue  
Calexico, CA 92231

**SUBDIVISION SURETY AGREEMENT  
CITY OF CALEXICO**

WHEREAS, it is hereby acknowledged that Town Center Plaza LLC, hereby known as "Subdivider," desires to record a final map, being a portion of the approved Town Center Industrial Plaza Subdivision Tentative Map, for that certain subdivision known as Town Center Industrial Plaza, hereinafter called "Subdivision" that has been filed with the CITY OF CALEXICO, hereinafter called the "City" and which has been approved by the City as being in accordance with all State laws and local ordinances and regulations, as well as any rulings applicable thereunder at the time of filing, except with respect to the outstanding issues herein addressed.

WHEREAS, Subdivider now desires that the City Council give final approval of the final map of said subdivision, subject to improvements being promised to and secured pursuant to this Agreement.

**AGREEMENT**

IT IS HEREBY AGREED THIS 7th day of October, 2008 as follows:

1. In consideration of the City Council's approval of the filing for recordation of the final map of Town Center Industrial Plaza which is submitted herewith, Subdivider does hereby agree to provide good and sufficient improvement security to insure that the performance of all works of improvement and obligations which are still outstanding as of the date of final map recordation as indicated on the Towncenter Industrial Plaza Improvement Plans ("Plans for Improvement") prepared by Core Engineering Group, PLLC (which documents are herein referred to and incorporated and made a part hereof) and said Plans for Improvement are in accordance with the standards established by the laws of the State of California, local ordinances and regulations, and any rulings made thereunder which are applicable at the time of approval of the tentative map and Resolutions 2007-01 and 2007-02 as adopted by the City of Calexico on January 22, 2007. The said remaining works of improvement and obligations to be completed by Subdivider pursuant to this Agreement are described as (1) on-site maintenance for on-site improvements that have already been completed ("On-Site Maintenance"); (2) streetlights to be constructed on-site ("Streetlights"); and (3) off-site improvements related to the improvement of Cole Blvd, Sunset Blvd and associated utilities and pertinences ("Off-Site Improvements"), all are identified in Attachment A, incorporated herein and attached hereto.

2. Subdivider agrees to complete the Streetlights within one (1) year from the date hereof, unless the time is extended in writing by the City Manager or the Director of Planning and Development Services, and such work shall be completed and performed to the satisfaction of the Director of Planning and Development Services and/or City Engineer. Subdivider agrees to complete the On-Site Maintenance and maintain the warranty bond of the previously constructed improvements for one year after the aforementioned Streetlights have been completed and accepted by the Director of Planning and Development Services and/or City Engineer. Subdivider agrees to complete the Off-Site Improvements related to the improvement of Cole Blvd, Sunset Blvd and associated utilities and pertinences as identified herein as Attachment A within two years after execution of this Agreement.

3. Subdivider warrants and guarantees the work on the aforementioned Streetlights and Off-Site Improvements (if constructed by Subdivider) for a period of one (1) year following the completion and acceptance thereof by City against any defective work or labor done, or defective materials furnished and Subdivider further agrees to maintain said improvementss for said one (1) year period commencing with City's acceptance of same. As security for the promise warranty, and guaranty of this Paragraph 3 for said one (1) year period, Subdivider shall deposit a sum of money with the City equivalent to not less than ten (10%) percent of the estimated cost of said improvements as established herein. As an alternative, Subdivider may provide City with an equivalent security such as satisfactory bond, or instrument of credit as described in Government Code section 66499.

4. The improvement security required hereunder shall be of that kind and type specified in all parts and subsections of section 66499 of the Government Code of the State of California. The City will accept surety bonds for the On-Site Maintenance and Streetlights. The City will be accepting a trust deed on Lots 2 and 5 of the Town Center Industrial Plaza Final Map as security for the performance of the remaining Off-Site Improvements as indicated on Attachment A. The proposed land for the trust deed and the surety bonds shall be valued in an amount that is at least the following:

(a) An amount not less than 100% of the total estimated cost of the improvement for the faithful performance of this agreement; and

(b) An amount not less than 100% of the total estimated costs of the improvement security payment to the contractor, his/her subcontractors, and to persons rendering equipment or furnishing labor or materials to them for the improvements.

5. a. The improvement security required herein for faithful performance of the Streetlights may be reduced in amount, but not more often than once per month, as the work or improvement is completed. In no event shall this security be reduced in amount until progress reports are submitted to the City and the City determines that the work in fact, has been completed and the amount by which the security shall be reduced. The determination by the City as to the completion of work or improvement and the amount by which the security shall be reduced shall be conclusive. In no event, however, shall the amount of this improvement security be reduced to an amount less than ten percent (10%) until that liability established by all parts and subsections of this Agreement (with the exception of Paragraph 3 hereof) is terminated. The improvement security securing the payment of the contractor, his/her subcontractor, and to persons renting equipment or furnishing labor or materials shall be released only in compliance with all parts and subsection of Section 66499 et. seq. of the Government Code of the State of California.

b. The City has received EDA grant money to use towards the completion of the Off-Site Improvements. Subdivider is required to submit 1.5 million dollars in matching funds for the EDA grant money. Once Subdivider has submitted the 1.5 million dollars in matching funds to the City, the City agrees to release the performance trust deed as to Lot 5. The City agrees to release the performance trust deed as to Lot 2 when the City completes the construction of all of the Off-Site Improvements related to Subdivider's project or no more than eighteen (18) months from the date of Final Map recordation. If Subdivider constructs the Off-Site Improvements, then the original performance trust deed shall remain in place on both Lots 2 and 5 until the construction is complete and accepted by the City.

6. The monuments have been completed by Hale Engineering, d.b.a. Tesco. A monument bond or security is not required to be furnished because a Certificate has been furnished to the City and the City Engineer accepts such evidence of proof.

7. Subdivider has paid to the City an amount of \$333,604.45 for engineering plan check fees and inspection fees as set out in Resolution No. 2924 of the City of Calexico.

8. The completion of improvements required hereunder and the date of completion shall be determined and certified by the Director of Development Services and/or City Engineer.

9. Subdivider hereby acknowledges that the statements set forth in the foregoing acknowledgement are true and correct; that he has read this agreement and understands the same; that the release of security as set forth herein shall be at the discretion of the City and shall be so released only in accordance with the terms of the applicable laws of the State of California, local ordinances and regulations, and this Agreement.

10. After the City records the final map, Subdivider hereby agrees to immediately provide the City with preliminary title reports which show that the title on Lots 2 and 5 are free and clear of all superior liens, including but not limited to, the liens of Scripps, Liberty, and the Ormat lease (as identified on the preliminary title report under Items #6 & #11). After final map recordation and the creation of legal Lots 2 and 5, the City's trust deed should be shown as the lien in first priority for the lots. Subdivider further agrees that no lots within the Towncenter Industrial

Plaza that are created by the final map to be recorded can be sold unless and until Subdivider provides the City with the necessary title report for Lots 2 & 5 showing that the City's performance trust deed is in first position and superior to all other liens. The City is hereby entitled to seek any immediate action, including an injunction, to prohibit Subdivider from closing escrow on any of the lots created by the recordation of the Towncenter Industrial Plaza final map if Subdivider has not provided the necessary clear title reports to City. Further, if the City is required to seek any court action or other actions to enforce the obligations under this Agreement, Subdivider shall be liable for any of City's attorneys fees or court costs related to the enforcement of Subdivider's obligations under this Agreement.

11. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Imperial, California.

12. Entire Agreement. This Agreement, the Performance Trust Deed, and the applicable surety bonds contemplated by this Agreement constitute the complete and exclusive statement between the City and Subdivider related to the amount of the security for final map recordation. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.

13. Amendments. This Agreement may be modified or amended only by a written document executed by both Subdivider and City and approved as to form by the City Attorney.

14. Waiver. No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder.

15. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto.

16. Attorneys Fees. In the event of the bringing of any action or suit by a party hereto against another party hereunder by reason of any breach of any of the covenants or obligations arising out of this Agreement, or any other dispute between the parties concerning this Agreement, then in that event, the prevailing party in such action or dispute, whether by final judgment or out of court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including actual attorneys' fees. Any judgment or order entered in any final judgment shall contain a specific provision providing for the recovery of all costs and expenses of suit including actual attorneys fees (collectively "Costs") incurred in enforcing, perfecting and executing such judgment. For the purposes of this paragraph, Costs shall include, without limitation, attorneys' and experts' fees, costs and expenses incurred in the following: (i) post judgment motions, (ii) contempt proceeding, (iii) garnishment, levy and debtor and third party examination, (iv) discovery, and (v) bankruptcy litigation.

EXECUTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_\_\_ At Calexico, California.

CITY OF CALEXICO:

By: \_\_\_\_\_  
City Manager

DEVELOPER:

By: \_\_\_\_\_  
Kevin Smith – Manager  
TownCenter Plaza, LLC

By: \_\_\_\_\_  
TownCenter Plaza, LLC  
9089 Clairemont Mesa Blvd.  
Suite 100  
San Diego, CA 92123

By: \_\_\_\_\_  
Jennifer M. Lyon, City Attorney

**TO BE APPROVED BY DIRECTOR OF DEVELOPMENT SERVICES OR CITY ENGINEER**

- |   |   |
|---|---|
| 1. Amount of faithful performance guarantee   | <u>\$650,000.00 On-Site Maintenance Bond/ \$100,000.00</u><br><u>Streetlights</u> |
| 2. Amount of labor and materials guarantee    | <u>\$650,000.00 On-Site Maintenance Bond/ \$100,000.00</u><br><u>Streetlights</u> |
| 3. Amount of monument Bond                    | <u>\$0.00 (Certificate by project engineer submitted)</u>                         |
| 4. Engineering Plan Check and Inspection fees | <u>\$333,604.45 (Already paid to the City)</u>                                    |
| 5. Performance Trust Deed                     | <u>\$2,809,373.33 Off-Sites</u>   |

\_\_\_\_\_  
City of Calexico  
Director of Development Services or City Engineer

.....  
**Acknowledgement**  
(By Individual, Partnership or Corporation)

STATE OF CALIFORNIA                    )  
COUNTY OF IMPERIAL                 )

On \_\_\_\_\_ before me, \_\_\_\_\_,  
a Notary Public in and for said County and State, personally appeared \_\_\_\_\_ personally known to  
me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the  
within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized  
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which  
the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

Name: \_\_\_\_\_

My Commission Expires \_\_\_\_\_

Seal



## ATTACHMENT PACKET B – ITEM 3

3. LABOR & MATERIALS AND PERFORMANCE BONDS- TOWNCENTER  
INDUSTRIAL PLAZA SUBDIVISION ON-SITE MAINTENANCE BOND NO.  
\_\_\_\_\_ IN THE AMOUNT OF **\$650,000.00.**

**WESTERN INSURANCE COMPANY  
MAINTENANCE BOND**

Bond No. BSS 0001  
Premium \$16,250

Know All Men by These Presents, That we, TownCenter Plaza, LLC hereinafter called the Principal, and Western Insurance Company, hereinafter called the Surety, are held and firmly bound unto The City of Calexico hereinafter called the Owner/Obligee,

in the sum of Six Hundred and Fifty Thousand Dollars( \$650,000 ) lawful money of the United States of America, to the payment whereof, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

Sealed with our seals, and dated this 12th day of September 2008.

WHEREAS, the above named Principal has an agreement with the Obligee

dated the 10th day of September, 2008 (hereinafter called the Agreement) for TownCenter Industrial Plaza Subdivision Maintenance (One Year Maintenance Period beginning , September 10, 2008 and ending September 10, 2009. )

which contract and the specifications for said work shall be deemed a part hereof as fully as if set out herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, If Principal shall promptly and faithfully perform said maintenance, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Whenever Principal shall be, and declared by Owner to be in default under the Contract, the Owner having performed Owner's obligations thereunder, the Surety may promptly remedy the default, or shall promptly

- 1) Complete the maintenance in accordance with its term and conditions, or
- 2) Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, or, if the Owner elects, upon determination by the Owner and the Surety jointly of the lowest responsible bidder, arrange for a contract between such bidder and Owner.

Any suit under this bond must be instituted before the expiration of two (2) years from the date on which final payment under the Contract falls due.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the Owner named herein or the heirs, executors, administrators or successors of the Owner.

Signed and sealed this 12th day of September 2008

Principal: TownCenter Plaza, LLC

  
Kevin Smith - Managing Member

WESTERN INSURANCE COMPANY

By   
Bart Stewart (Attorney-In-Fact)

WESTERN INSURANCE COMPANY  
POWER OF ATTORNEY

314519

KNOW ALL MEN BY THESE PRESENTS, That WESTERN INSURANCE COMPANY, a corporation organized and existing under the laws of the State of Nevada and having its principal office at the City of Reno, in the State of Nevada, does hereby constitute and appoint

Barl Stewart

Of the STATE OF NEVADA its true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety to, and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof on behalf of the Company in its business of guaranteeing the fidelity of persons; guaranteeing the performance of contracts; and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, the said WESTERN INSURANCE COMPANY has caused this instrument to be sealed with its corporate seal, duly attested by the signatures of its President and Secretary, this 19<sup>th</sup> day of June, 2006.

WESTERN INSURANCE COMPANY



(Signed) By [Signature] President

(Signed) By [Signature] Secretary

STATE OF NEVADA )  
COUNTY OF WASHOE )

SS:

On this 19<sup>th</sup> day of June, 2006, before me personally came DICK L. ROTTMAN, PRESIDENT of the WESTERN INSURANCE COMPANY and CAROL B. INGALLS, SECRETARY of said Company, with both of whom I am personally acquainted; who being by me severally duly sworn, said, that they, the said DICK L. ROTTMAN and CAROL B. INGALLS were respectively the PRESIDENT and the SECRETARY of the said WESTERN INSURANCE COMPANY, the corporation described in which executed the foregoing Power of Attorney, that they each had the seal of said Corporation; that the seal affixed to said Power of Attorney was such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that they signed their names thereto by like order as PRESIDENT and SECRETARY, in and to the said Power of Attorney.

My Commission expires the 31<sup>st</sup> day of March, 2010.



(Signed) [Signature]  
Patricia A. Letson Notary Public

This Power of Attorney is granted in and by authority of the following Resolutions adopted by the Board of Directors of the WESTERN INSURANCE COMPANY on June 19, 2006:

RESOLVED, that in connection with the fidelity and surety insurance business of the Company, all bonds, undertakings, contracts and other instruments relating to said business may be signed, executed, and acknowledged by person or entities appointed as Attorney(s)-in-Fact pursuant to a Power of Attorney issued in accordance with these resolutions. Said Power(s) of Attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President, or a Vice-President, jointly with the Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the foregoing officers and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Attorney(s)-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and unless subsequently revoked and subject to any limitations set forth therein, any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is validly attached.

RESOLVED that Attorney(s)-in-Fact shall have the power and authority, unless subsequently revoked and, in any case, subject to the terms and limitations of the Power of Attorney issued to them, to execute and deliver on behalf of the Company and to attach the seal of the Company to any and all bonds and undertakings, and other writings obligatory in the nature thereof, and any such instrument executed by such Attorney(s)-in-Fact shall be as binding upon the Company as if signed by an Executive Officer and sealed and attested to by the Secretary of the Company.

I, CAROL B. INGALLS, Secretary of the WESTERN INSURANCE COMPANY, do hereby certify that the foregoing is a true excerpt from the Resolution of the said Company as adopted by its Board of Directors on June 19, 2006 and that this Resolution is in full force and effect.

I, the undersigned Secretary of the WESTERN INSURANCE COMPANY do hereby certify that the foregoing Power of Attorney is in full force and effect and has not been revoked.

In Testimony Whereof, I have hereunto set my hand and the seal of the WESTERN INSURANCE COMPANY on this 19<sup>th</sup> day of June, 2006.



[Signature]  
Secretary

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego

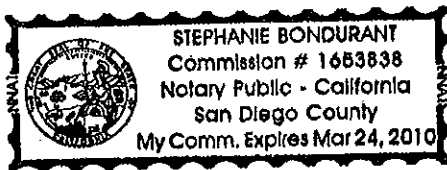
On 9/12/08 before me, Stephanie Bondurant, Notary Public

Date

Here insert Name and Title of the Officer

personally appeared Bart Stewart

Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal Above

## OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

### Description of Attached Document

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

### Capacity(ies) Claimed by Signer(s)

Signer's Name: Bart Stewart

☐ Individual

☐ Corporate Officer — Title(s): \_\_\_\_\_

☐ Partner — ☐ Limited ☐ General

☒ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

Signer's Name: \_\_\_\_\_

☐ Individual

☐ Corporate Officer — Title(s): \_\_\_\_\_

☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

ALL-PURPOSE ACKNOWLEDGMENT

Title of Document: Western Insurance Bond

Date of Document: \_\_\_\_\_

State of California

County of San Diego

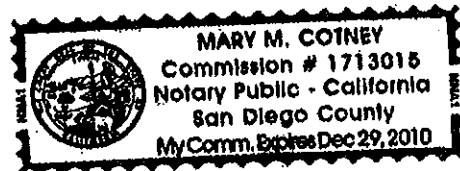
On 9/15/08 before me, Mary M. Cotney, Notary Public,  
personally appeared Kevin Smith

who proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) ~~is/are~~  
subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in  
~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Mary M. Cotney



FOR NOTARY STAMP

## ATTACHMENT PACKET B – ITEM 4

4. LABOR & MATERIALS AND PERFORMANCE BONDS FOR THE OUTSTANDING AMOUNT OF UNCOMPLETED ON-SITE WORK (STREET LIGHTS) ESTIMATED AT **\$100,000.00.**

# Western Insurance Company

675 West Moana Lane, Reno, NV 89509

## SUBDIVISION IMPROVEMENTS LABOR AND MATERIAL BOND

BOND NO. BSS 0002

PREMIUM INCLUDED IN  
PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, TownCenter Plaza, LLC, as Principal,  
and Western Insurance Company, a corporation organized and doing business  
under and by virtue of the laws of the State of Nevada and duly licensed  
to conduct a general surety business in the State of California as Surety, are held and firmly bound unto the  
City of Calexico as Oblige, in the penal sum of  
One Hundred Thousand and No 100's (\$ 100,000 ) DOLLARS,  
for which payment, well and truly to be made, we bind ourselves, our heirs, executors and successors, jointly and severally firmly by these  
presents.

THE CONDITION OF THE OBLIGATION IS SUCH THAT:

Whereas, the above-named Principal, has entered into an agreement which is made a part of this bond, with the  
City of Calexico, State of California, as Oblige; for the designated public  
improvements in the subdivision identified as TownCenter Industrial Plaza  
as required by the Government Code of California,

Whereas, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and  
sufficient payment bond with the City of Calexico to secure the claims  
to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

Now, therefore, said principal and the undersigned, as surety, are held firmly bound unto the City of Calexico  
and all contractors, subcontractors, laborers, materialmen and other persons  
employed in the performance of the aforesaid agreement and referred to in the aforesaid Code of Civil Procedure for material furnished or labor  
thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said surety will pay  
the same in an amount not exceeding the penal sum hereinabove set forth, and also in case suit is brought upon this bond, will pay, in addition  
to the penal sum thereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by  
City of Calexico in successfully enforcing such obligation, to be awarded and fixed by the court,  
and to be taxed as costs and to be included in the judgement therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations  
entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give right of action to  
them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain  
in full force and effect.

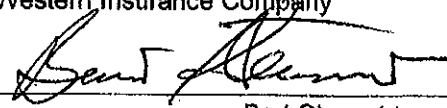
The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the  
specifications accompanying the same shall in any manner affect its obligations on this bond, and it does hereby waive notice of any such  
change, extension, alteration or addition.

In witness whereof, this instrument has been duly executed by the principal and surety above named, on the  
12th Day of September 2008

PRINCIPAL: TownCenter Plaza, LLC

SURETY: Western Insurance Company

  
Kevin Smith - Managing Member

  
Bart Stewart Attorney-in-Fact

WESTERN INSURANCE COMPANY  
POWER OF ATTORNEY

314518

KNOW ALL MEN BY THESE PRESENTS: That WESTERN INSURANCE COMPANY, a corporation organized and existing under the laws of the State of Nevada and having its principal office at the City of Reno, in the State of Nevada, does hereby constitute and appoint

Bart Stewart

Of the STATE OF NEVADA its true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety to, and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof on behalf of the Company in its business of guaranteeing the fidelity of persons; guaranteeing the performance of contracts; and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, the said WESTERN INSURANCE COMPANY has caused this instrument to be sealed with its corporate seal, duly attested by the signatures of its President and Secretary, this 19<sup>th</sup> day of June, 2006.

WESTERN INSURANCE COMPANY



(Signed) By [Signature] President

(Signed) By Carol B. Ingalls Secretary

STATE OF NEVADA)

SS:

COUNTY OF WASHOE )

On this 19<sup>th</sup> day of June, 2006, before me personally came DICK L. ROTTMAN, PRESIDENT of the WESTERN INSURANCE COMPANY and CAROL B. INGALLS, SECRETARY of said Company, with both of whom I am personally acquainted, who being by me severally duly sworn, said, that they, the said DICK L. ROTTMAN and CAROL B. INGALLS were respectively the PRESIDENT and the SECRETARY of the said WESTERN INSURANCE COMPANY, the corporation described in which executed the foregoing Power of Attorney, that they each saw the seal of said corporation; that the seal affixed to said Power of Attorney was such corporate seal, that it was so affixed by order of the Board of Directors of said corporation, and that they signed their names thereto by like order as PRESIDENT and SECRETARY, respectively, of the Company.

My Commission expires the 31<sup>st</sup> day of March, 2010.



(Signed) Patricia A. Letson  
Patricia A. Letson Notary Public

This Power of Attorney is granted and by authority of the following Resolutions adopted by the Board of Directors of the WESTERN INSURANCE COMPANY on June 19, 2006.

RESOLVED, that in connection with the fidelity and surety insurance business of the Company, all bonds, undertakings, contracts and other instruments relating to said business may be signed, executed, and acknowledged by person or entities appointed as Attorney(s)-in-Fact pursuant to a Power of Attorney issued in accordance with these resolutions. Said Power(s) of Attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman, or the President, or a Vice President, jointly with the Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the foregoing officers and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Attorney(s)-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and, unless subsequently revoked and subject to any limitations set forth therein, any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is validly attached.

RESOLVED, that Attorney(s)-in-Fact shall have the power and authority, unless subsequently revoked and, in any case, subject to the terms and limitations of the Power of Attorney issued to them, to execute and deliver on behalf of the Company and to attach the seal of the Company to any and all bonds and undertakings, and other writings obligatory in the nature thereof, and any such instrument executed by such Attorney(s)-in-Fact shall be as binding upon the Company as if signed by an Executive Officer and sealed and attested to by the Secretary of the Company.

I, CAROL B. INGALLS, Secretary of the WESTERN INSURANCE COMPANY, do hereby certify that the foregoing is a true excerpt from the Resolution of the said Company as adopted by its Board of Directors on June 19, 2006 and that this Resolution is in full force and effect.

I, the undersigned Secretary of the WESTERN INSURANCE COMPANY do hereby certify that the foregoing Power of Attorney is in full force and effect and has not been revoked.

In Testimony Whereof, I have hereunto set my hand and the seal of the WESTERN INSURANCE COMPANY on this 19<sup>th</sup> day of September, 2008.



Carol B. Ingalls  
Secretary

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Diego

On Sept. 12, 2008 before me, Stephanie Bondurant, Notary Public

Date

Here, insert Name and Title of the Officer

personally appeared Bart Stewart

Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~; and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal Above

## OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

### Description of Attached Document

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

### Capacity(ies) Claimed by Signer(s)

Signer's Name: Bart Stewart

☐ Individual

☐ Corporate Officer — Title(s): \_\_\_\_\_

Partner — ☐ Limited ☐ General

☒ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

Signer's Name: \_\_\_\_\_

☐ Individual

☐ Corporate Officer — Title(s): \_\_\_\_\_

Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

# ALL-PURPOSE ACKNOWLEDGMENT

Title of Document: \_\_\_\_\_

Date of Document: \_\_\_\_\_

State of California )

County of San Diego )

On 9/15/08 before me, Mary M. Cotney, Notary Public,  
personally appeared Kevin Smith

who proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) ~~is~~ are  
subscribed to the within instrument and acknowledged to me that ~~he~~ she/they executed the same in  
~~his~~ her/their authorized capacity(ies), and that by ~~his~~ her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Mary M. Cotney



FOR NOTARY STAMP

# Western Insurance Company

675 West Moana Lane, Reno, NV 89509

## SUBDIVISION IMPROVEMENTS PERFORMANCE BOND

BOND NO. BSS 0002

\$ 2,500 premium is for  
a term of two year(s)

KNOW ALL MEN BY THESE PRESENTS:

That we, TownCenter Plaza, LLC, as Principal,  
and Western Insurance Company, a corporation organized and doing business  
under and by virtue of the laws of the State of Nevada and duly licensed  
to conduct a general surety business in the State of California as Surety, are held and firmly bound unto the  
City of Calexico as Oblige, in the penal sum of One Hundred Thousand and No 100's

(\$ 100,000) Dollars, for which payment, well and truly to be made, we bind ourselves, our heirs, successors, executors  
and administrators, jointly and severally firmly by these presents.

THE CONDITION OF THE OBLIGATION IS SUCH THAT:

Whereas the Oblige and Principal have entered into an agreement whereby Principal agrees to install and complete certain  
designated public improvements, which agreement, identified as Subdivision Surety Agreement City of Calexico, dated September 10, 2008, is hereby referred to and made a part hereof; and

Whereas, said Principal is required under the terms of said agreement to furnish a bond for the faithful performance of said  
agreement.

Now therefore, the condition of this obligation is such that is the above bounden principal, his or its heirs, executors,  
administrators, successor or assigns, shall in all things stand to and abide by, well and truly keep and perform the covenants,  
conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or their part, to be  
kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning,  
and shall indemnify and save harmless obligee, its officers, agents and employees, as therein stipulated, then this obligation shall  
become null and void; otherwise it shall be and remain in full force and effect.

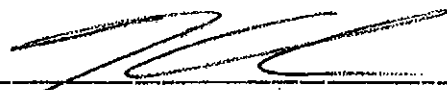
As a part of the obligation secured hereby and in addition to the penal sum specified therefor, there shall be included costs  
and reasonable expenses and fees, including reasonable attorney's fees, incurred by Oblige in successfully enforcing such  
obligation, all to be taxed as costs and included in any judgement rendered.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement  
or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligations on  
this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement  
or to the work or to the specifications.

In witness whereof, this instrument has been duly executed by the principal and surety above named, on the  
12th Day of September 2008

PRINCIPAL: TownCenter Plaza, LLC

SURETY: Western Insurance Company



Kevin Smith - Managing Member



Bart Stewart, Attorney-in-Fact

WESTERN INSURANCE COMPANY  
POWER OF ATTORNEY

318211

KNOW ALL MEN BY THESE PRESENTS: That WESTERN INSURANCE COMPANY, a corporation organized and existing under the laws of the State of Nevada and having its principal office at the City of Reno, in the State of Nevada, does hereby constitute and appoint

Bart Stewart

Of the STATE OF NEVADA its true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety to, and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof on behalf of the Company in its business of guaranteeing the fidelity of persons; guaranteeing the performance of contracts; and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, the said WESTERN INSURANCE COMPANY has caused this instrument to be sealed with its corporate seal, duly attested by the signatures of its President and Secretary, this 19<sup>th</sup> day of June, 2006.

WESTERN INSURANCE COMPANY



(Signed) By

*[Signature]*  
President

(Signed) By

*[Signature]*  
Secretary

STATE OF NEVADA)

SS:

COUNTY OF WASHOE )

On this 19<sup>th</sup> day of June, 2006, before me personally came DICK L. ROTTMAN, PRESIDENT of the WESTERN INSURANCE COMPANY and CAROL B. INGALLS, SECRETARY of said Company, with both of whom I am personally acquainted, who being by me severally duly sworn, said, that they, the said DICK L. ROTTMAN and CAROL B. INGALLS were respectively the PRESIDENT and the SECRETARY of the said WESTERN INSURANCE COMPANY, the corporation described in which executed the foregoing Power of Attorney, that they each know the seal of said corporation; that the seal affixed to said Power of Attorney was such corporate seal, that it was so affixed by order of the Board of Directors of said corporation, and that they signed their names thereto by like order as PRESIDENT and SECRETARY, respectively, of the Company.

My Commission expires the 31st day of March, 2010.



PATRICIA A. LETSON  
Notary Public - State of Nevada  
Appointment Recorded by the Secretary  
to the State on 03/31/2006

(Signed)

*[Signature]*  
Patricia A. Letson Notary Public

This Power of Attorney is granted under and by authority of the following Resolutions adopted by the Board of Directors of the WESTERN INSURANCE COMPANY on June 19, 2006.

RESOLVED, that in connection with the fidelity and surety insurance business of the Company, all bonds, undertakings, contracts and other instruments relating to said business may be signed, executed, and acknowledged by person or entities appointed as Attorney(s)-in-Fact pursuant to a Power or Attorney issued in accordance with these resolutions. Said Power(s) of Attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman, or the President, or a Vice President, jointly with the Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the foregoing officers and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Attorney(s)-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and, unless subsequently revoked and subject to any limitations set forth therein, any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is validly attached.

RESOLVED, that Attorney(s)-in-Fact shall have the power and authority, unless subsequently revoked and, in any case, subject to the terms and limitations of the Power of Attorney issued to them, to execute and deliver on behalf of the Company and to attach the seal of the Company to any and all bonds and undertakings, and other writings obligatory in the nature thereof, and any such instrument executed by such Attorney(s)-in-Fact shall be as binding upon the Company as if signed by an Executive Officer and sealed and attested to by the Secretary of the Company.

I, CAROL B. INGALLS, Secretary of the WESTERN INSURANCE COMPANY, do hereby certify that the foregoing is a true excerpt from the Resolution of the said Company as adopted by its Board of Directors on June 19, 2006 and that this Resolution is in full force and effect.

I, the undersigned Secretary of the WESTERN INSURANCE COMPANY do hereby certify that the foregoing Power of Attorney is in full force and effect and has not been revoked.

In Testimony Whereof, I have hereunto set my hand and the seal of the WESTERN INSURANCE COMPANY on this

19<sup>th</sup> day of September 2008



*[Signature]*  
Secretary

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

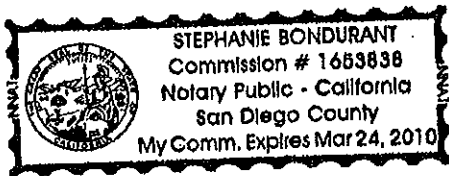
State of California

County of San Diego

On Sept. 12, 2008 before me, Stephanie Bondurant, Notary Public

personally appeared Bart Stewart

Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Stephanie Bondurant  
Signature of Notary Public

Place Notary Seal Above

## OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

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### Capacity(ies) Claimed by Signer(s)

Signer's Name: Bart Stewart

- ☐ Individual  
☐ Corporate Officer — Title(s): \_\_\_\_\_  
☐ Partner — ☐ Limited ☐ General  
☒ Attorney in Fact  
☐ Trustee  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- ☐ Individual  
☐ Corporate Officer — Title(s): \_\_\_\_\_  
☐ Partner — ☐ Limited ☐ General  
☐ Attorney in Fact  
☐ Trustee  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

# ALL-PURPOSE ACKNOWLEDGMENT

Title of Document: \_\_\_\_\_

Date of Document: \_\_\_\_\_

State of California )

County of San Diego )

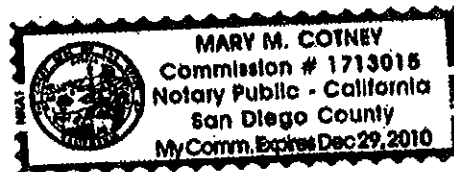
On 9/15/08 before me, Mary M. Cotney, Notary Public,  
personally appeared Kevin Smith

who proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) ~~is~~ are  
subscribed to the within instrument and acknowledged to me that ~~he~~ ~~she~~ ~~they~~ executed the same in  
~~his~~ ~~her~~ ~~their~~ authorized capacity(ies), and that by ~~his~~ ~~her~~ ~~their~~ signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Mary M. Cotney



FOR NOTARY STAMP

## ATTACHMENT PACKET B – ITEM 5

- 5 TRUST DEED FOR LOTS 2 & 5 OF THE TOWNCENTER INDUSTRIAL PLAZA TO SECURE THE AMOUNT OF \$ **2,809,373.33**, FOR OFF-SITE STREET IMPROVEMENTS.

RECORDING REQUESTED BY AND  
WHEN RECORDED, RETURN TO:

Armando Villa           }  
Development Services}  
City of Calexico       }  
608 Heber Avenue      }  
Calexico, CA 92231    }

---

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

### PERFORMANCE DEED OF TRUST

THIS PERFORMANCE DEED OF TRUST (this "Deed") is from TOWNCENTER PLAZA, LLC, a California limited liability company, as Trustor ("Trustor"), whose address is 9089 Clairemont Mesa Boulevard, Suite 100, San Diego, California, 92123 to the City of Calexico, a California municipal corporation, as Trustee ("Trustee") for the benefit of the City of Calexico, ("Beneficiary"), whose address is 608 Heber Avenue, Calexico, California, 92231.

### RECITALS

WHEREAS, Trustor is the developer of the TownCenter Industrial Plaza, which consists of approximately one hundred and twenty-five (125) acres of raw land located in Imperial County, Calexico, California. Trustor has caused to be filed with County of Imperial a tentative tract map and a final tract map, which requires compliance with certain conditions imposed by the City of Calexico pursuant to State and local law.

WHEREAS, prior to final map recordation, Trustor is required to complete the "Off-Site Improvements," which are set forth in Exhibit C. In lieu of completing the Off-Site Improvements prior to final map recordation pursuant to State and local law, the City may allow Trustor to post sufficient security in an amount of approximately Two Million, Eight Hundred and Nine Thousand, Three Hundred and Seventy-Three and 33/100th Dollars (\$2,809,373.33) via a letter of credit, bond, or some other form of security.

WHEREAS, Trustor and Beneficiary have agreed that Trustor will grant Beneficiary this Deed of Trust in the amount of Two Million, Eight Hundred and Nine Thousand, Three Hundred and Seventy-Three and 33/100th Dollars (\$2,809,373.33) for Lots 2 and 5 of the project (hereinafter, the "Property") more particularly described in Exhibit A, attached hereto as surety for the completion of the Off-Site Improvements in lieu of providing Beneficiary with a bond in

accordance with section 66499 of the Government Code, local ordinance, and the Subdivision Surety Agreement executed on October 7, 2008.

WHEREAS, the appraised total value of the Property is sufficient to provide the required amount of security.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged and confessed by Beneficiary, Trustor hereby agrees as follows:

## ARTICLE I GRANTING CLAUSE: THE PROPERTY

Trustor, in consideration of the obligations herein defined and as specified in the Subdivision Surety Agreement, does hereby irrevocably grant, transfer and assign to Trustee, in trust, with power of sale, that certain property in the City of Calexico, Imperial County, California, more particularly described as Lot Two (2) and Lot Five (5) of the TownCenter Industrial Plaza, which will consist of approximately eight and two one hundredth (8.02) acres and six and one-tenth (6.1) acres, respectively (the "Property") more particularly described in Exhibit A. Lots Two (2) and Five (5) are also depicted on the copy of the Site Plan, which is attached to this Deed of Trust as Exhibit B.

## ARTICLE II SECURED OBLIGATION

This Deed of Trust is given in lieu of a surety bond to secure the performance of the completion of the Off-Site Improvements (which have an approximate value of \$2,809,373.33) as set forth in Exhibit C. This Deed of Trust secures Trustor's obligations under the Subdivision Surety Agreement executed on October 7, 2008 between Trustor and Trustee. The total amount of the secured obligation is Two Million, Eight Hundred and Nine Thousand, Three Hundred and Seventy-Three and 33/100th Dollars (\$2,809,373.33).

## ARTICLE III COVENANTS, REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF MORTGAGOR

Trustor hereby covenants, represents, warrants and agrees that:

3.1. To keep the Property in good condition and repair, to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws affecting the Property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof, not to commit, suffer or permit any act upon the Property in violation of law to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of the Property may be reasonably

necessary, the specific enumerations herein not excluding the general.

3.2. To provide maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon indebtedness secured hereby and in such order as Beneficiary may determine, or at the option of Beneficiary, the entire amount so collected or any part thereof may be released to Trustor.

3.3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.

3.4 To pay at least ten (10) days before delinquency all taxes and assessments affecting the Property, when due, all encumbrances, charges and liens, with interest, on the Property or any part thereof, which appear to be prior or superior hereto, all costs, fees and expenses of this Deed of Trust. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may; make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his/her reasonable fees.

3.5 That any award of damages in connection with any condemnation for public use of or injury to the Property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him/her in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

3.6 That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust, and without affecting the personal liability of any person for performance of the obligation secured hereby, Trustee may reconvey any part of the Property, consent to the making of any map or plot thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

3.7 That upon written request of Beneficiary, state Trustor has performed all obligations secured hereby (i.e., completion of the Off-Site Improvements pursuant to the Subdivision Surety Agreement), and upon surrender of this Deed for cancellation and retention, or other disposition as Trustee, in its sole discretion, may choose and upon payment of fees, Trustee shall reconvey, without warranty, the Property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The

grantee in such reconveyance may be described as "The person or persons legally entitled thereto." Five years after issuance of such full reconveyance, Trustee may destroy said note and this Deed (unless directed in such request to retain them).

3.8 That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of the Property, reserving unto Trustor the right, prior to any non-performance of Trustor's obligations secured hereby, to collect the rents, issues and profits of the Property, reserving further unto Trustor the right, prior to any non-performance of Trustor's obligations, to collect and retain such rents, issues and profits as they become due and payable. Upon any such non-performance, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the obligation hereby secured, enter upon and take possession of the Property or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees. The entering upon and taking possession of the Property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3.9 That upon the non-performance by Trustor of the obligations secured hereby, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of Trustor's non-performance and demand for sale and of election to cause to be sold the Property which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed and all documents evidencing expenditures and performance secured hereby.

3.10 After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell the Property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale. Trustee and Beneficiary may hereby credit bid in an amount up to Two Million, Eight Hundred and Nine Thousand, Three Hundred and Seventy-Three and 33/100th Dollars (\$2,809,373.33) per lot plus interest accruing from the date of default at any such sale.

3.11 After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof, not then repaid, with accrued interest at

the amount allowed by law in effect at the date hereof, all other sums then secured hereby, and the remainder, if any, to the person or persons legally entitled thereto.

3.12 That by accepting payment of any sum or performance secured hereby after its due date, Beneficiary does not waive his/her right either to require prompt payment or performance when due of all other sums so secured or to declare default or failure so to pay.

#### ARTICLE IV ENFORCEMENT OF THE SECURITY

A power of sale has been granted in this Deed. A power of sale allows Beneficiary to take the Property and sell it without going to court in a foreclosure action in the event the Off-Site Improvements are not completed within twenty-four (24) months after execution of this Deed.

#### ARTICLE V RELEASE OF THE DEED

Upon approval by the City of Calexico as specified in the Subdivision Surety Agreement, this Deed of Trust shall be released.

#### ARTICLE VI MISCELLANEOUS

6.1. If any provision of this Deed of Trust is invalid or unenforceable in any jurisdiction, the other provisions hereof shall remain in full force and effect in such jurisdiction, and the invalidity of any provision hereof in any jurisdiction shall not affect the validity or enforceability of any such provision in any other jurisdiction.

6.2. This Deed of Trust may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original, and all of which are identical.

6.3. Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where the Property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed of Trust is recorded and the name and address of the new Trustee.

6.4. That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, devisees, administrators, executors, successors and assigns. Whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

6.5. This instrument, the interpretation hereof and the rights, obligations, duties and liabilities hereunder shall be governed and controlled by the laws of the State of California.

6.6. That Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

6.7 Pursuant to California Government Code Section 27321.5(b), Trustor hereby requests that a copy of any notice of default and a copy of any notice of sale given pursuant to this instrument be mailed to Trustor at the address set forth herein.

IN WITNESS WHEREOF, Trustor has executed this Performance Deed of Trust on October \_\_\_\_, 2008.

TRUSTOR:

TOWNCENTER PLAZA, LLC  
A California limited liability company

By: \_\_\_\_\_

Kevin Smith, Manager

Address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

State of California )

County of San Diego )

On \_\_\_\_\_, 2008, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

(Seal)

**EXHIBIT A- LEGAL DESCRIPTIONS FOR LOTS 2 & 5**

Lots 2 and 5 of FM 059-020-07 Final Map Towncenter Industrial Plaza Subdivision in

City of Calexico, Imperial County, California recorded in said County of FM Book \_\_\_\_

\_\_\_\_\_, pages \_\_\_\_\_ dated \_\_\_\_\_.

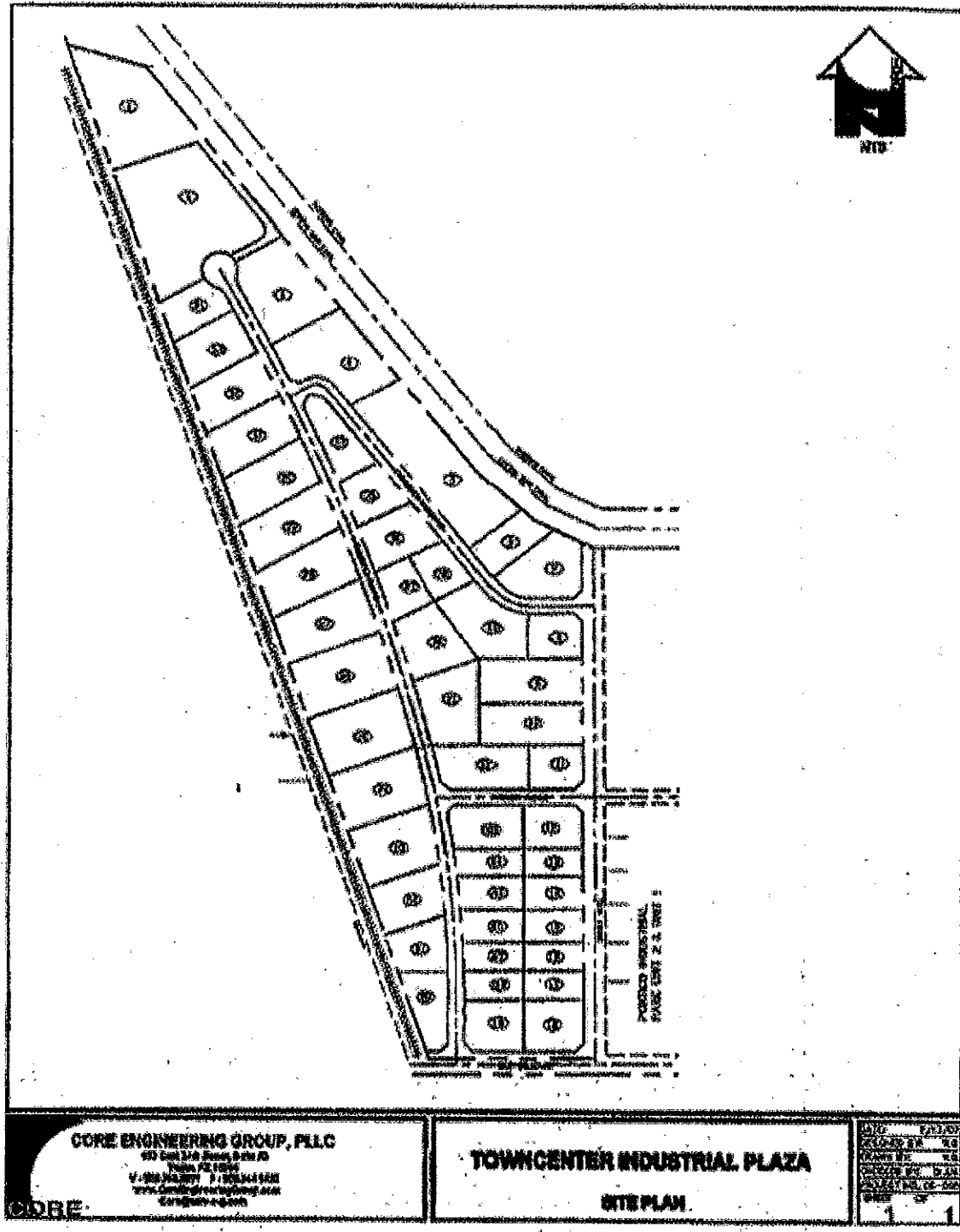
[Insert data to the above line and legal descriptions upon recording of the Final Map]

\_\_\_\_\_  
Date: \_\_\_\_\_

To be signed and seal stamped by qualified License Engineer or Surveyor

**EXHIBIT B**

**SITE PLAN OF TOWNCENTER BUSINESS PLAZA DEPICTING LOTS 2 AND 5**



## **EXHIBIT C**

### **OFF-SITE IMPROVEMENTS**

The following are the Off-Site Improvements:

1. Construct and signalize the new intersection of Cole Road and Sunset Boulevard with the following recommended intersection lane configurations:
  - a. Two southbound left-turn traffic lane on Sunset Boulevard;
  - b. One southbound right-turn traffic lane on Sunset Boulevard;
  - c. Two eastbound through traffic lanes on Cole Road;
  - d. One eastbound left-turn traffic lane on Cole Road;
  - e. One westbound right-turn traffic lane on Cole Road; and
  - f. Two westbound through traffic lanes on Cole Road.
2. Widen and fully improve north of the centerline of Cole Road along the entire project frontage within a 126-foot right-of-way for a future 4-lane Primary roadway.
3. Construct and fully improve west of the centerline of Sunset Boulevard along the entire project frontage within a 110-foot right-of-way for a future 4-lane Major roadway.
4. Construct a 4-foot wide, raised concrete island on Cole Road to restrict the project access entrance of Cole Road west of Sunset Boulevard to right in and right-out traffic movements only.
5. To minimize the number of access driveways on Sunset Boulevard, a common access driveway is to be shared between two adjacent lots.
6. Construct a concrete island is recommended on Cole Road between S.R. 111 and restrict Scaroni Road to left-turning traffic movements onto Cole Road.
7. Dedicate the easement required for the widening of Cole Road at the Southern Pacific Railroad crossing.



3501 Jamboree Road, Ste. 100  
Newport Beach, CA 92660

T 949.725.8522  
F 949.725.8440

[www.cbre.com](http://www.cbre.com)

March 16, 2007

David Braga  
**SCRIPPS INVESTMENT & LOANS, INC**  
484 Prospect Street  
La Jolla, CA 92037

RE: Appraisal of Calexico Land  
North of Cole Rd. & West of Sunset Boulevard  
Calexico, Imperial County, CA  
CBRE File No 07-242NB-0104

Dear Mr. Braga:

At your request and authorization, CB Richard Ellis (CBRE) has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Self Contained Appraisal Report.

The subject is a 125.700-acre (5,475,492 SF) tract of commercial/industrial land located North of Cole Rd. & West of Sunset Boulevard in Calexico. The property is proposed to be improved with 51 industrial lots that range in size from 1.00 to 8.44 acres. The current buyer is processing a tentative tract map for the site, however as of our date of value the map is not approved. The subject is more fully described, legally and physically, within the enclosed report.

Based on the analysis contained in the following report, the market value of the subject is concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Fee Simple Estate	March 9, 2007	\$11,500,000
Aggregate Retail Value Finished Lots	Fee Simple Estate	March 9, 2007	\$28,100,000
Bulk Value Finished Lots	Fee Simple Estate	March 9, 2007	\$21,500,000
Compiled by CBRE			

Data, information, and calculations leading to the value conclusion are incorporated in the report following this letter. The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

David Brago  
March 16, 2007  
Page 2

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, our interpretation of the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



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Scott Williams, MAI  
Assistant Vice President  
California State Certification No. AG021394

Phone: (949) 725-8522  
Fax: (949) 725-8440  
Email: [scott.williams@cbre.com](mailto:scott.williams@cbre.com)

**CERTIFICATION OF THE APPRAISAL**

We certify to the best of our knowledge and belief:

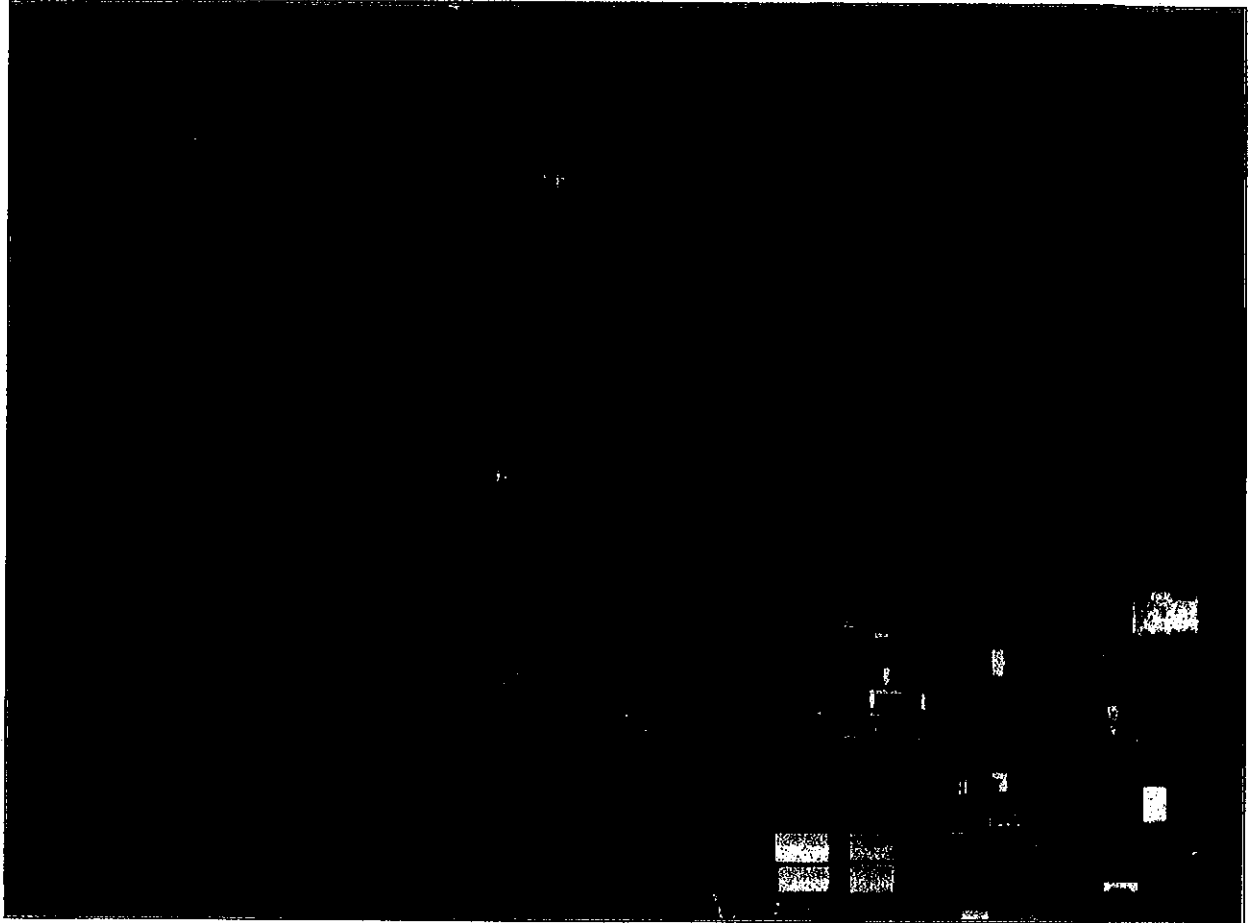
1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in or bias with respect to the property that is the subject of this report and have no personal interest in or bias with respect to the parties involved with this assignment.
4. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
5. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice of The Appraisal Foundation and the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, as well as the requirements of the State of CA relating to review by its duly authorized representatives.
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. Scott Williams has completed the requirements of the continuing education program of the Appraisal Institute.
10. Scott Williams, MAI and Geoff Koopman have made a personal inspection of the property that is the subject of this report.
11. Geoff Koopman provided professional assistance to the person signing this report.
12. Scott Williams, MAI has extensive experience in the appraisal/review of similar property types.
13. Scott Williams, MAI is currently certified in the state where the subject is located.
14. Valuation & Advisory Services operates as an independent economic entity within CBRE. Although employees of other CBRE divisions may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy are maintained at all times with regard to this assignment without conflict of interest.



Scott Williams, MAI

California State Certification No. AG021394

**AERIAL PHOTOGRAPH**



**SUMMARY OF SALIENT FACTS**

<b>Property Name</b>	Calexico Land	
<b>Location</b>	North of Cole Rd. & West of Sunset Boulevard, Calexico, Imperial, CA	
<b>Assessor's Parcel Number</b>	059-020-07	
<b>Highest and Best Use</b>		
As Vacant	Industrial	
<b>Property Rights Appraised</b>	Fee Simple Estate	
<b>Land Area</b>	125.70 AC	5,475,492 SF
<b>Net Lot Area</b>	116.77 AC	5,086,706 SF
<b>Finished Lot Size Range</b>	1.00 to 8.44 AC	
<b>Property Type</b>	Land (Industrial)	
<b>Estimated Date of Finished Lot Completion</b>	March 9, 2008	
<b>Estimated Exposure Time</b>	12 Months	

<b>VALUATION</b>	<b>Total</b>	<b>Per SF</b>
Land Value As Is	\$11,500,000	\$2.10

<b>CONCLUDED MARKET VALUE</b>			
<b>Appraisal Premise</b>	<b>Interest Appraised</b>	<b>Date of Value</b>	<b>Value</b>
As Is	Fee Simple Estate	March 9, 2007	\$11,500,000
Aggregate Retail Value Finished Lots	Fee Simple Estate	March 9, 2007	\$28,100,000
Bulk Value Finished Lots	Fee Simple Estate	March 9, 2007	\$19,700,000
Compiled by CBRE			

**EXTRAORDINARY ASSUMPTIONS & HYPOTHETICAL CONDITIONS**

1. The square footage of the site was taken from the assessor's plat map and purchase sale agreement. We reserve the right to amend our opinion of value if a survey were to determine the site area is materially different than that presented.
2. The square footages of the individual lots is based on the lot summary provided by the buyer of the subject. All information provided is assumed to be correct. If the lots areas were to be materially different then that presented our finished lot and bulk value would require adjustment.
3. Various information was provided by the buyer including the purchase sale agreement as well as presale contracts for lots based on a subdivision of the subject. All information is assumed to be correct. If any of the information were to differ materially from that presented, our final value would require adjustment.

4. Based on our discussions with the buyer of the subject, the property is impacted by a geothermal lease with Ormat given the tenant surface rights over the entire parcel. Ormat is reportedly not using their surface rights but could do so at any time in the future. This lease does have a material adverse affect on the property. We have reviewed a letter between the buyer of the subject and Ormat indicating they would release the surface lease agreement in exchange for receiving the northern six acres of lot 1 fee title free and clear. Further, the subject buyer must provide access easements to this property. A copy of this letter is contained in the addenda section of the report. Our value conclusion assumes that Ormat will relinquish their surface rights in exchange for the northern six acres of lot 1. The exclusion of these six acres is not estimated to materially impact the subject beyond the economic loss of the six acres. Our valuation excludes these six acres. If Ormat were to not relinquish their surface rights or if other arrangements between the buyer and seller were made, the value conclusions contained herein could be significantly impacted. We reserve the right to amend our opinion of value if the proposed deal with Ormat was to be materially different then that proposed.

Heffernan Memorial Hospital is negotiating to buy approximately 10 acres (combining multiply lots) for a price in the \$5.50 to \$6.00 per square foot range. We have reviewed multiply agreements for this buyer with varying purchase scenarios.

The presales exhibit a range from \$5.75 to \$6.70 per square foot. Most Comparable Sales 2 through 4 exhibit a range from \$5.73 to \$6.75 per square foot consistent with the presales at the subject. In our final determination of value for the subject lots, we have considered the limited depth of the local industrial market and estimate on average lot selling price would be below most of the presales. The presales represent pent up demand and we do not think this pricing to be sustainable over the entire project. Our estimate of average lot selling prices is below. It should be noted that the subject has no lots in the 150,000 to 200,000 size range and none in the 250,000 to 300,000 square foot size range.

\$6.00 /SF	Lots <=50,000/SF
\$5.75 /SF	Lots 50,001-100,000/SF
\$5.50 /SF	Lots 100,001-150,000/SF
\$5.25 /SF	Lots 200,000-250,000/SF
\$5.00 /SF	Lots >300,000/SF

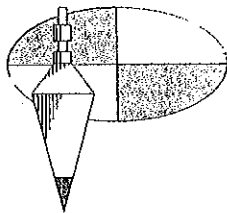
The summary of the aggregate retail value is as follows.

## ATTACHMENT PACKET B – ITEM 6

6. PAYMENT OF \$950,000 TO THE FAIR SHARE FUND PRIOR TO CITY COUNCIL APPROVAL OF FINAL MAP FOR \_\_\_\_\_.

## ATTACHMENT PACKET B – ITEM 7

7. MONUMENT BOND – CERTIFICATION LETTER FROM THE ENGINEER OR SURVEYOR OF RECORD WHO PREPARED THE MAP THAT ALL MONUMENTS PER THE TRACT MAP HAVE BEEN SET WITH THE VERIFICATION FROM THE CITY INSPECTOR (LETTER ATTACHED).



HALE ENGINEERING  
dba **TESCO**  
TECHNICAL ENGINEERING & SURVEYING COMPANY

242 N. 8th Street P.O. BOX 3306  
El Centro, CA 92244-3306  
Tel.: (760) 352-2718 Fax: (760) 352-2917

7.

28 July 2008

Office of City Engineer  
City of Calexico  
608 Heber Ave  
Calexico, CA 92232

Attn: Tony Wong, PE

Re: TOWNCENTER INDUSTRIAL PLAZA – *Monumentation*

Dear Mr. Wong:

Hale Engineering and Surveying dba TESCO has set all monuments as noted and depicted on the Final Map entitled **FM 059-TOWNCENTER INDUSTRIAL PLAZA**, and will follow with a Certificate of Correction, after recordation of the Final Map, for all monuments set in an unimproved area, and for those monuments that may have been relocated due to conflicts with improvement locations.

Should you have any questions, please feel free to contact me.

Sincerely,

Harrison P. Barton, PLS 5397  
Surveyor of Record  
Vice President Imperial Valley Division  
Hale engineering & Surveying dba TESCO

Cc: Project File  
San Diego Office

## ATTACHMENT PACKET B – ITEM 8

- 8 SUBDIVISION GUARANTEE (WITHIN 3 MONTHS OF RECORDATION) AND MUST BE THE SAME AS THE MAP THAT WAS PREVIOUSLY CHECKED. ANY CHANGE WILL REQUIRE CORRECTIONS ON EITHER THE MAP OR THE REPORT.

# SUBDIVISION GUARANTEE

Issued by **Commonwealth Land Title Insurance Company**



*Commonwealth Land Title Insurance Company is a member of the LandAmerica family of title insurance underwriters.*

File No.: **4616153A**

Fee: **\$1,000.00**

Subdivision: **FM 059-020-07 Final Map, Towncenter Industrial Plaza**

## GUARANTEES

The County of **Imperial** and any city within which said subdivision is located in a sum not exceeding \$10,000.00.

That, according to those public records which, under the recording laws, impart constructive notice of matters affecting the title to the land included within the exterior boundary shown on the map of the above referenced subdivision, the only parties having any record title interest in said land whose signatures are necessary, under the requirements of the Subdivision Map Act, on the certificates consenting to the recordation of said map and offering for dedication any streets, roads, avenues and other easements offered for dedication by said map are:

Towncenter Plaza, LLC, a California limited liability company

The map hereinabove referred to is a subdivision of:

See Exhibit A Attached

Dated: **August 14, 2008 at 8:00 A.M.**

**COMMONWEALTH LAND TITLE INSURANCE COMPANY**

Attest:

  
Secretary



By:

  
President

**SCHEDULE A**

**PART I**

As of the date hereof, the party(ies) whose signature(s) will be necessary, under the requirements of the Subdivision Map Act, on the certificates consenting to the recordation of the Final Map or Parcel Map of said land and offering for dedication any streets, roads, avenues and other easements offered by such map are:

**A. The signature(s) of the party(ies) named hereinafter will be required as owner(s) of the herein named interest of said land, pursuant to the provisions of Section 66436 of the Subdivision Map Act.**

Nature of Interest: A Fee  
Owner(s):

**Towncenter Plaza, LLC, a California limited liability company**

**B. The signature of either the trustee or the beneficiary named below but not both, will be required under the provisions of Section 66436, Subsection (a) of the Subdivision Map Act for the following deed(s) of trust:**

1. Scripps Investments & Loans, Inc., et al, Beneficiary under Deed of Trust recorded May 7, 2007 as Instrument No. 2007-19230 of Official Records
2. Liberty Bankers Life Insurance Company, Beneficiary under Deed of Trust recorded March 24, 2008 as Instrument No. 2008-8051 of Official Records

**C. The signature(s) of the party(ies) named hereinafter as owner(s) of the interest set forth, may be omitted under the provisions of Section 66436, (a)(3)(A)(I-viii) of the Subdivision Map Act, their interest is such that it cannot ripen into a fee title and said signature(s) is (are) not required by the local agency.**

1. Holton Power Company, Holder of Easement recorded in Book 393, Page 262 of Deeds, of San Diego County
2. County of Imperial, Holder of Easement recorded May 7, 1925 in Book 74, Page 406, of Official Records
3. Imperial Irrigation District, Holder of Easement recorded March 21, 1940, in Book 546, Page 526 of Official Records
4. Imperial Irrigation District, Holder of Easement recorded December 30, 1960 in Book 1067, Page 20 of Official Records
5. Imperial Irrigation District, Holder of Easement recorded September 7, 1976 in Book 1391, Page 1105 of Official Records
6. Imperial Irrigation District, Holder of Easement recorded September 5, 1989 as Instrument No. 89-14359, in Book 1631, Page 950 of Official Records

**D. The signatures of the party(ies) named hereinafter as owner(s) of the interest set forth, may be omitted under the provisions of Section 66436, Subsection (a)(3)(C) of the Subdivision Map Act, their interest is such that it cannot ripen into a fee title and said signature(s) is (are) not required by the local agency.**

Chevron U.S.A. Inc. holder of a Leasehold Interest recorded January 26, 1970 in Book 1288 Page 582 Official Records and amended on April 6, 1979 in Book 1391 Page 1105 Official Records

**Exhibit B (Revised 11-17-06)**

**CALIFORNIA LAND TITLE ASSOCIATION  
STANDARD COVERAGE POLICY - 1990**

**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.  
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

**EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.  
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10/22/03)**

**ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE**

**EXCLUSIONS**

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning:
  - a. building
  - b. zoning
  - c. Land use
  - d. improvements on the Land
  - e. Land division
  - f. environmental protection

This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.

This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
  3. The right to take the Land by condemning it, unless:
    - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
    - b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking.
  4. Risks:
    - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
    - b. that are Known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;
    - c. that result in no loss to You; or
    - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.d, 22, 23, 24 or 25.
  5. Failure to pay value for Your Title.
  6. Lack of a right:
    - a. to any Land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
    - b. in streets, alleys, or waterways that touch the Land.
- This Exclusion does not limit the coverage described in Covered Risk 11 or 18.

### LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 14, 15, 16 and 18, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A. The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
<b>Covered Risk 14:</b>	<b>1% of Policy Amount or \$2,500</b> (whichever is less)	<b>\$10,000</b>
<b>Covered Risk 15:</b>	<b>1% of Policy Amount or \$5,000</b> (whichever is less)	<b>\$25,000</b>
<b>Covered Risk 16:</b>	<b>1% of Policy Amount or \$5,000</b> (whichever is less)	<b>\$25,000</b>
<b>Covered Risk 18:</b>	<b>1% of Policy Amount or \$2,500</b> (whichever is less)	<b>\$5,000</b>

### AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY (6-1-87) EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
  - land use
  - improvements on the land
  - land division
  - environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.
2. The right to take the land by condemning it, unless:
  - a notice of exercising the right appears in the public records on the Policy Date
  - the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
3. Title Risks:
  - that are created, allowed, or agreed to by you
  - that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records
  - that result in no loss to you
  - that first affect your title after the Policy Date -- this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right:
  - to any land outside the area specifically described and referred to in Item 3 of Schedule A
  - OR
  - in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

### AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92) WITH ALTA ENDORSEMENT-FORM 1 COVERAGE EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the

character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
  3. Defects, liens, encumbrances, adverse claims or other matters:
    - (a) created, suffered, assumed or agreed to by the Insured claimant;
    - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the Insured claimant and not disclosed in writing to the Company by the Insured claimant prior to the date the Insured claimant became an insured under this policy;
    - (c) resulting in no loss or damage to the Insured claimant;
    - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the Insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy); or
    - (e) resulting in loss or damage which would not have been sustained if the Insured claimant had paid value for the Insured mortgage.
  4. Unenforceability of the lien of the Insured mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
  5. Invalidity or unenforceability of the lien of the Insured mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
  6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the Insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the Insured mortgage which at Date of Policy the Insured has advanced or is obligated to advance.
  7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
    - (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
    - (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine or equitable subordination; or
    - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
      - (a) to timely record the instrument of transfer; or
      - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following General Exceptions:

### EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.  
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

### 2006 ALTA LOAN POLICY (06-17-06)

#### EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- 2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
- 4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
- 5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
- 6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - (a) a fraudulent conveyance or fraudulent transfer, or
  - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
- 7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

### **EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

- 1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
- 2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
- 3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
- 4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records.

### **AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92) EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

- 1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- 2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
- 3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
- 4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or

- (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
  - (a) to timely record the instrument of transfer; or
  - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage Policy will also include the following General Exceptions:

#### **EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.  
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

#### **2006 ALTA OWNER'S POLICY (06-17-06)**

#### **EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - (a) a fraudulent conveyance or fraudulent transfer; or
  - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

#### **EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records.

# ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01)

## EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the Public Records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the Insured Claimant;
  - (b) not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); or
  - (e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the Land is situated.
5. Invalidity or unenforceability of the lien of the Insured Mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
6. Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(e) and 26.
7. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to advances or modifications made after the Insured has knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This exclusion does not limit the coverage provided in Covered Risk 8.
8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are known to the Insured at:
  - (a) The time of the advance; or
  - (b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.
9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.

#### SCHEDULE OF EXCLUSIONS FROM COVERAGE OF THIS GUARANTEE

1. Except to the extent that specific assurances are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:

(a) Defects, liens, encumbrances, adverse claims or other matters against the title, whether or not shown by the public records.

(b) (1) Taxes or assessments of any taxing authority that levies taxes or assessments on real property; or, (2) Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not the matters excluded under (1) or (2) are shown by the records of the taxing authority or by the public records.

(c) (1) Unpatented mining claims; (2) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (3) water rights, claims or title to water, whether or not the matters excluded under (1), (2) or (3) are shown by the public records.

2. Notwithstanding any specific assurances which are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:

(a) Defects, liens, encumbrances, adverse claims or other matters affecting the title to any property beyond the lines of the land expressly described in the description set forth in Schedule (A), (C) or in Part 2 of this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways to which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any structure or improvements; or any rights or easements therein, unless such property, rights or easements are expressly and specifically set forth in said description.

(b) Defects, liens, encumbrances, adverse claims or other matters, whether or not shown by the public records; (1) which are created, suffered, assumed or agreed to by one or more of the Assureds; (2) which result in no loss to the Assured; or (3) which do not result in the invalidity or potential invalidity of any judicial or non-judicial proceeding which is within the scope and purpose of the assurances provided.

(c) The identity of any party shown or referred to in Schedule A.

(d) The validity, legal effect or priority of any matter shown or referred to in this Guarantee.

#### GUARANTEE CONDITIONS AND STIPULATIONS

##### 1. Definition of Terms.

The following terms when used in the Guarantee mean:

(a) the "Assured": the party or parties named as the Assured in this Guarantee, or on a supplemental writing executed by the Company.

(b) "land": the land described or referred to in Schedule (A)(C) or in Part 2, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule (A)(C) or in Part 2, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.

(c) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(d) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.

(e) "date": the effective date.

##### 2. Notice of Claim to be Given by Assured Claimant.

An Assured shall notify the Company promptly in writing in case knowledge shall come to an Assured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as stated herein, and which might cause loss or damage for which the Company may be liable by virtue of this Guarantee. If prompt notice shall not be given to the Company, then all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any Assured under this Guarantee unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

##### 3. No Duty to Defend or Prosecute.

The Company shall have no duty to defend or prosecute any action or proceeding to which the Assured is a party, notwithstanding the nature of any allegation in such action or proceeding.

##### 4. Company's Option to Defend or Prosecute Actions; Duty of Assured Claimant to Cooperate.

Even though the Company has no duty to defend or prosecute as set forth in Paragraph 3 above:

(a) The Company shall have the right, at its sole option and cost, to institute and prosecute any action or proceeding, interpose a defense, as limited in (b), or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as stated herein, or to

establish the lien rights of the Assured, or to prevent or reduce loss or damage to the Assured. The Company may take any appropriate action under the terms of this Guarantee, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this Guarantee. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(b) If the Company elects to exercise its options as stated in Paragraph 4(a) the Company shall have the right to select counsel of its choice (subject to the right of such Assured to object for reasonable cause) to represent the Assured and shall not be liable for and will not pay the fees of any other counsel, nor will the Company pay any fees, costs or expenses incurred by an Assured in the defense of those causes of action which allege matters not covered by this Guarantee.

(c) Whenever the Company shall have brought an action or interposed a defense as permitted by the provisions of this Guarantee, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from an adverse judgment or order.

(d) In all cases where this Guarantee permits the Company to prosecute or provide for the defense of any action or proceeding, an Assured shall secure to the Company the right to so prosecute or provide for the defense of any action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such Assured for this purpose. Whenever requested by the Company, an Assured, at the Company's expense, shall give the Company all reasonable aid in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured. If the Company is prejudiced by the failure of the Assured to furnish the required cooperation, the Company's obligations to the Assured under the Guarantee shall terminate.

##### 5. Proof of Loss or Damage.

In addition to and after the notices required under Section 2 of these Conditions and Stipulations have been provided to the Company, a proof of loss or damage signed and sworn to by the Assured shall be furnished to the Company within ninety (90) days after the Assured shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the matters covered by this Guarantee which constitute the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the Assured to provide the required proof of loss or damage, the Company's obligation to such assured under the Guarantee shall terminate. In addition, the Assured may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Guarantee, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Assured shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the Assured provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Assured to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this Guarantee to the Assured for that claim.

##### 6. Options to Pay or Otherwise Settle Claims; Termination of Liability.

In case of a claim under this Guarantee, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Liability or to Purchase the Indebtedness.

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage or a lienholder, the Company shall have the option to purchase the indebtedness secured by said mortgage or said lien for the amount owing thereon, together with any costs, reasonable attorneys' fees and expenses

incurred by the Assured claimant which were authorized by the Company up to the time of purchase.

Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness, together with any collateral security, to the Company upon payment of the purchase price.

Upon the exercise by the Company of the option provided for in Paragraph (e) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4, and the Guarantee shall be surrendered to the Company for cancellation.

**(b) To Pay or Otherwise Settle With Parties Other Than the Assured or With the Assured Claimant.**

To pay or otherwise settle with other parties for or in the name of an Assured claimant any claim assured against under this Guarantee, together with any costs, attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of the option provided for in Paragraph (b) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4.

#### 7. Determination and Extent of Liability.

This Guarantee is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Assured claimant who has suffered loss or damage by reason of reliance upon the assurances set forth in this Guarantee and only to the extent herein described, and subject to the Exclusions From Coverage of This Guarantee.

The liability of the Company under this Guarantee to the Assured shall not exceed the least of:

(a) the amount of liability stated in Schedule A or in Part 2;

(b) the amount of the unpaid principal indebtedness secured by the mortgage of an Assured mortgagee, as limited or provided under Section 6 of these Conditions and Stipulations or as reduced under Section 8 of these Conditions and Stipulations, at the time the loss or damage assured against by this Guarantee occurs, together with interest thereon; or

(c) the difference between the value of the estate or interest covered hereby as stated herein and the value of the estate or interest subject to any defect, lien or encumbrance assured against by this Guarantee.

#### 8. Limitation of Liability.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures any other matter assured against by this Guarantee in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, as stated herein.

(c) The Company shall not be liable for loss or damage to any Assured for liability voluntarily assumed by the Assured in settling any claim or suit without the prior written consent of the Company.

#### 9. Reduction of Liability or Termination of Liability.

All payments under this Guarantee, except payments made for costs, attorneys' fees and expenses pursuant to Paragraph 4 shall reduce the amount of liability pro tanto.

#### 10. Payment of Loss.

(a) No payment shall be made without producing this Guarantee for endorsement of the payment unless the Guarantee has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within thirty (30) days thereafter.

#### 11. Subrogation Upon Payment or Settlement.

Whenever the Company shall have settled and paid a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to the claim had this Guarantee not been issued. If requested by the Company, the Assured shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Assured shall permit the Company to sue, compromise or settle in the name of the Assured and to use the name of the Assured in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the Assured the Company shall be subrogated to all rights and remedies of the Assured after the Assured shall have recovered its principal, interest, and costs of collection.

#### 12. Arbitration.

Unless prohibited by applicable law, either the Company or the Assured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Assured arising out of or relating to this Guarantee, any service of the Company in connection with the issuance or the breach of a Guarantee provision or other obligation. All arbitrable matters when the Amount of Liability is \$1,000,000 or less shall be arbitrated at the option of either the Company or the Assured. All arbitrable matters when the amount of liability is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the Assured. The Rules in effect at Date of Guarantee shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permits a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

#### 13. Liability Limited to This Guarantee; Guarantee Entire Contract.

(a) This Guarantee together with all endorsements, if any, attached hereto by the Company is the entire Guarantee and contract between the Assured and the Company. In interpreting any provision of this Guarantee, this Guarantee shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, or any action asserting such claim, shall be restricted to this Guarantee.

(c) No amendment of or endorsement to this Guarantee can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

#### 14. Notices Where Sent.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this Guarantee and shall be addressed to: Consumer Affairs Department, P.O. Box 27667, Richmond, Virginia 23261-7667.

Form B 1023-Z

LandAmerica Financial Group, Inc.  
5600 Cox Road  
Glen Allen, Virginia 23060 9266  
Telephone, toll-free: 800 445-7085  
www.landam.com

 LandAmerica  
Commonwealth

Commonwealth Land Title Insurance Company  
is a member of the LandAmerica family of title insurance  
underwriters.

Issued by  
Commonwealth Land  
Title Insurance Company

SUBDIVISION  
GUARANTEE



Commonwealth Land Title Company  
3131 Camino del Rio N., #1400  
San Diego, CA 92108

Phone: (619) 686-6000  
Fax:

File No: 4616153A

## Notice to Customers

You may be eligible for a \$20.00 reduction in your title or escrow fees in this transaction charged by **Commonwealth Land Title Insurance Company** pursuant to the Final Judgments entered in People of the State of California v. LandAmerica Financial Group, Inc., et al., Sacramento Superior Court Case No. 92 AS 06111, and Taylor, et al. v. LandAmerica Financial Group, Inc., et al., Los Angeles Superior Court Case No. BC 231917. You are eligible for this \$20.00 reduction in your title or escrow fees if you meet the following requirements:

1. You are a natural person or trust;
2. Your transaction involves the purchase, sale or refinancing of residential real property containing one-to-four-dwelling units;
3. You previously purchased title insurance or escrow services involving a transaction which closed between May 19, 1995 and October 8, 2002 from one of the following companies:  
LandAmerica Financial Group, Inc.  
Commonwealth Land Title Insurance Company or  
Commonwealth Land Title Company  
Lawyers Title Insurance Corporation or Lawyers Title Company  
First American Title Insurance Company, First American Title Company, First American Title Guarantee Company  
Fidelity National Financial, Inc.  
Fidelity National Title Insurance Company  
Fidelity National Title Company  
Fidelity National Title Insurance Company of California, Inc.  
Fidelity National Loan Portfolio Services  
Ticor Title Insurance Company  
Security Union Title Insurance Company  
Chicago Title Insurance Company  
Chicago Title Company  
Chicago Title and Trust Company  
Rocky Mountain Support Services, Inc.  
California Tracking Service, Inc.  
Title Accounting Services Corporation
4. You did not receive a \$65.00 cash payment from LandAmerica Financial Group, Inc. in the reconveyance fee claims process pursuant to the Final Judgments entered in People of the State of California v. LandAmerica Financial Group, Inc., et al., Sacramento Superior Court Case No. 92 AS 06111, and Taylor, et al. v. LandAmerica Financial Group, Inc., et al., Los Angeles Superior Court Case No. BC 231917.

If you meet the foregoing requirements and want the \$20.00 fee reduction complete this form and return it to your **Commonwealth Land Title Insurance Company** escrow or title officer. **NOTE: If you are eligible for the \$20.00 fee reduction please complete and return this form. You must advise us of your eligibility prior to closing in order to receive the \$20.00 fee reduction.**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone No: \_\_\_\_\_



Commonwealth Land Title Company  
3131 Camino del Rio N., #1400  
San Diego, CA 92108

Phone: (619) 686-6000  
Fax:

File No: 4616153A

## Notice to Customers

You may be eligible for a \$20.00 reduction in your title or escrow fees in this transaction charged by **Commonwealth Land Title Insurance Company** pursuant to the Final Judgments entered in People of the State of California v. LandAmerica Financial Group, Inc., et al., Sacramento Superior Court Case No. 92 AS 06111, and Taylor, et al. v. LandAmerica Financial Group, Inc., et al., Los Angeles Superior Court Case No. BC 231917. You are eligible for this \$20.00 reduction in your title or escrow fees if you meet the following requirements:

1. You are a natural person or trust;
2. Your transaction involves the purchase, sale or refinancing of residential real property containing one-to-four-dwelling units;
3. You previously purchased title insurance or escrow services involving a transaction which closed between May 19, 1995 and October 8, 2002 from one of the following companies:  
LandAmerica Financial Group, Inc.  
Commonwealth Land Title Insurance Company or  
Commonwealth Land Title Company  
Lawyers Title Insurance Corporation or Lawyers Title Company  
First American Title Insurance Company, First American Title Company, First American Title Guarantee Company  
Fidelity National Financial, Inc.  
Fidelity National Title Insurance Company  
Fidelity National Title Company  
Fidelity National Title Insurance Company of California, Inc.  
Fidelity National Loan Portfolio Services  
Ticor Title Insurance Company  
Security Union Title Insurance Company  
Chicago Title Insurance Company  
Chicago Title Company  
Chicago Title and Trust Company  
Rocky Mountain Support Services, Inc.  
California Tracking Service, Inc.  
Title Accounting Services Corporation
4. You did not receive a \$65.00 cash payment from LandAmerica Financial Group, Inc. in the reconveyance fee claims process pursuant to the Final Judgments entered in People of the State of California v. LandAmerica Financial Group, Inc., et al., Sacramento Superior Court Case No. 92 AS 06111, and Taylor, et al. v. LandAmerica Financial Group, Inc., et al., Los Angeles Superior Court Case No. BC 231917.

If you meet the foregoing requirements and want the \$20.00 fee reduction complete this form and return it to your **Commonwealth Land Title Insurance Company** escrow or title officer. **NOTE: If you are eligible for the \$20.00 fee reduction please complete and return this form. You must advise us of your eligibility prior to closing in order to receive the \$20.00 fee reduction.**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone No: \_\_\_\_\_

Exhibit A

All that certain real property situated in the County of Imperial, State of California, described as follows:

Part of the West half of Section 2, Township 17 South, Range 14 East, San Bernardino Meridian, as per Official Plat thereof, lying East of the East line of the right-of-way of the Southern Pacific Railroad as located May 20, 1942, through and across said West half of Section 2, and South of the South toe of the slope of Brawley Main Canal as located on May 20, 1942, through and across said West half of Section 2, which said part or portion is described as follows:

Commencing at the Southwest corner of said Section 2;

And Thence running South 89°59' East, 1809.9 feet along the South line of said Section 2, to a point at the Intersection of the East line of the right-of-way of the Southern Pacific Railroad aforesaid with the South line of said Section 2, for the Point of Beginning;

Thence continuing South 89°59' East, 831.4 feet to the quarter corner between said Sections 2 and 11;

Thence North 0°01' East, a distance of 2648 feet to a point on the South toe of the slope of the Brawley Main Canal, as now located;

Thence North 64°39' West, 326 feet;

Thence North 48°44' West, 369 feet;

Thence North 38°15' West, 2692.8 feet;

Thence North 73°44' West, 409.7 feet to an intersection with the East line of the right of way of the Southern Pacific Railroad aforesaid;

Thence along said right of way South 18°54' East, 5560.1 feet to the Point of Beginning.

Note: Said property is also shown on Licensed Survey Map recorded in Book 6, Page 6 of Licensed Survey Maps.

Insert Map here

## ATTACHMENT PACKET B – ITEM 9

9. PRELIMINARY TITLE REPORT (WITHIN 3 MONTHS OF RECORDATION) AND MUST BE THE SAME AS THE MAP THAT WAS PREVIOUSLY CHECKED. ANY CHANGE WILL REQUIRE CORRECTIONS ON EITHER THE MAP OR THE REPORT.

Carson Development Corporation  
9089 Clairemont Mesa Blvd #100  
San Diego, CA 92123

Our File No: 4616153A - 54  
Title Officer: Linda Slavik  
Phone No: 619-686-2192  
Fax No: 619-725-3248  
lslavik@landam.com

Attn: **Dee Readshaw**

Your Reference No: TownCenter

Property Address: Vacant Land, Imperial County, California

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## AMENDED PRELIMINARY REPORT

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Dated as of September 3, 2008 at 7:30 a.m.

In response to the above referenced application for a policy of title insurance, Commonwealth Land Title Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said Policy or Policies are set forth in Exhibit B attached. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit B. Copies of the Policy forms should be read. They are available from the office which issued this report.

***Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit B of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered. It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.***

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

## EXHIBIT "A"

All that certain real property situated in the County of Imperial, State of California, described as follows:

Part of the West half of Section 2, Township 17 South, Range 14 East, San Bernardino Meridian, as per Official Plat thereof, lying East of the East line of the right-of-way of the Southern Pacific Railroad as located May 20, 1942, through and across said West half of Section 2, and South of the South toe of the slope of Brawley Main Canal as located on May 20, 1942, through and across said West half of Section 2, which said part or portion is described as follows:

Commencing at the Southwest corner of said Section 2;  
And Thence running South 89°59' East, 1809.9 feet along the South line of said Section 2, to a point at the intersection of the East line of the right-of-way of the Southern Pacific Railroad aforesaid with the South line of said Section 2, for the Point of Beginning;  
Thence continuing South 89°59' East, 831.4 feet to the quarter corner between said Sections 2 and 11;  
Thence North 0°01' East, a distance of 2648 feet to a point on the South toe of the slope of the Brawley Main Canal, as now located;  
Thence North 64°39' West, 326 feet;  
Thence North 48°44' West, 369 feet;  
Thence North 38°15' West, 2692.8 feet;  
Thence North 73°44' West, 409.7 feet to an intersection with the East line of the right of way of the Southern Pacific Railroad aforesaid;  
Thence along said right of way South 18°54' East, 5560.1 feet to the Point of Beginning.

Note: Said property is also shown on Licensed Survey Map recorded in Book 6, Page 6 of Licensed Survey Maps.

Assessor's Parcel Number:      **059-020-07**

## **SCHEDULE B – Section A**

The following exceptions will appear in policies when providing standard coverage as outlined below:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records.

## SCHEDULE B

At the date hereof Exceptions to coverage in addition to the printed exceptions and exclusions in said policy form would be as follows:

- A. Property taxes, including general and special taxes, personal property taxes, if any, and any assessments collected with taxes, to be levied for the fiscal year 2008 - 2009 which are a lien not yet payable.

- B. Notice of Special Tax Authorization pursuant to the requirements of Section 3114.5 of the Streets and Highway Code. The special tax is authorized to be imposed within the Community Facilities District shown below which has now been officially formed. The rate and method of apportionment of the authorized special tax will be annually levied.

Community Facilities

District No: 1

Notice by: Calexico Unified School District

Recorded: May 28, 1991 in Book 1673, page 1220 as Instrument No. 91-09491, Official Records

- C. A pending assessment for the District shown below. When notice of the assessment is recorded with the County Recorder the assessment shall become a lien on said land.

District: Community Facilities District No. 2007-02 (Towncenter Plaza)

Disclosed by: Assessment District Diagram

Recorded: December 7, 2007 in 2007-045261 of Official Records

- D. Said land lies within the boundaries of District shown below and is subject to Assessments levied by said district.

Imperial Irrigation District

- E. Supplemental or escaped assessments of property taxes, if any, assessed pursuant to the Revenue and Taxation Code of the State of California.

1. Water rights, claims or title to water, whether or not shown by the public records.

2. An easement for the purpose shown below and rights incidental thereto as set forth in a document

Granted to: Holton Power Company

Purpose: electric pole lines

Recorded: in Book 393, Page 262 of Deeds of San Diego County

Affects: said land more particularly described therein.

3. An easement for the purpose shown below and rights incidental thereto as set forth in a document
 

Granted to:	County of Imperial
Purpose:	public road
Recorded:	May 7, 1925 in Book 74, Page 406 of Official Records
Affects:	said land more particularly described therein.
  
4. An easement for the purpose shown below and rights incidental thereto as set forth in a document
 

Granted to:	Imperial Irrigation District
Purpose:	canal, telephone and/or electric power lines
Recorded:	in Book 546, Page 526 of Official Records
Affects:	said land more particularly described therein.
  
5. An easement for the purpose shown below and rights incidental thereto as set forth in a document
 

Granted to:	Imperial Irrigation District
Purpose:	canals, open or underground and telephone and/or electric power lines overhead and/or underground
Recorded:	December 30, 1960 in Book 1067, Page 20 of Official Records
Affects:	said land more particularly described therein.
  
6. A lease with certain terms, covenants, conditions and provisions set forth therein.
 

Lessor:	Clarence J. Peavey and Sylvia M. Peavey, husband and wife and Robert N. Lemon and Mary Lemon, husband and wife
Lessee:	Standard Oil Company of California
Recorded:	January 26, 1970 in Book 1288, Page 582 of Official Records

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

An agreement to amend or modify certain provisions of said lease, as set forth in the document executed by

As Lessor:	Clarence J. Peavey, Robert N. Lemon and Mary Lemon
As Lessee:	Chevron U.S.A. Inc.
Recorded:	April 6, 1979 in Book 1431, Page 1605 of Official Records

7. An easement for the purpose shown below and rights incidental thereto as set forth in a document
 

Granted to:	Imperial Irrigation District
Purpose:	canals, telephone and/or electric power lines
Recorded:	September 7, 1976 in Book 1391, Page 1105 of Official Records

The exact location and/or extent of said easement is not disclosed in the public records.

8. A Heber Geothermal Unit Agreement affecting the premises herein stated, dated June 16, 1978, recorded July 30, 1979 in Book 1437, Page 1272 of Official Records.

9. An easement for the purpose shown below and rights incidental thereto as set forth in a document
- |             |  |
|-------------|--|
| Granted to: | Imperial Irrigation District   |
| Purpose:    | underground pipeline drain   |
| Recorded:   | September 5, 1989 as Instrument No. 89-14359, in Book 1631, Page 950 of Official Records |

The exact location and/or extent of said easement is not disclosed in the public records.

10. The fact that said land is included within a project area of the Redevelopment Agency shown below, and that proceedings for the redevelopment of said project have been instituted under the Redevelopment law (such redevelopment to proceed only after the adoption of the redevelopment plan) as disclosed by a document.

Redevelopment Agency:	The Merged Central Business District and Residential Redevelopment Project
Recorded:	December 29, 1993 as Instrument No. 93031595 in Book 1755, Page 1612 of Official Records

11. Any rights, interests or claims of the parties in possession of said land, limited to those based on an unrecorded agreement, contract or lease as shown below
- (A) That certain Lease recorded January 26, 1970, in book 1288 Page 582 of official records
  - (B) That certain Modification recorded April 6, 1979 in Book 1431 page 1605 of official Records
  - (C) That certain unit Agreement unit agreement Recorded July 30, 1979 in book 1437 page 1272 of official records

12. A deed of trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby.

Amount:	\$19,025,000.00
Dated:	May 1, 2007
Trustor:	Towncenter Plaza, LLC, a California limited liability company
Trustee:	Foreclosure Consultants, Inc.
Beneficiary:	Scripps Investments & Loans, Inc. et al
Recorded:	May 7, 2007 as file 2007-19230 Official Records

An agreement which states that this instrument was subordinated

To:	Deed of Trust
Recorded:	March 24, 2008 as File 2008-8051 Official Records

By Agreement	
Recorded:	March 24, 2008 as File 2008-8053 Official Records

13. An assignment of all monies due or to become due as rental or otherwise from said land, to secure payment of an indebtedness, shown below and upon the terms and conditions therein

Amount:	\$9,200,000.00
Assigned to:	Liberty Bankers Life Insurance Company
By:	Towncenter Plaza LLC
Recorded:	March 24, 2008 as File 2008-8054 Official Records

14. A deed of trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby.

Amount: \$9,200,00.00  
Dated: March 18, 2008  
Trustor: Towncenter Plaza, LLC, a California limited liability company  
Trustee: Commonwealth Land Title Company  
Beneficiary: Liberty Bankers Life Insurance Company  
Recorded: March 24, 2008 as File 2008-8051 Official Records

**END OF SCHEDULE B EXCEPTIONS**

**PLEASE REFER TO THE "NOTES AND REQUIREMENTS SECTION" WHICH  
FOLLOWS FOR INFORMATION NECESSARY TO COMPLETE THIS TRANSACTION**

## REQUIREMENTS SECTION:

NONE

## INFORMATIONAL NOTES SECTION

NOTE NO. 1: The information on the attached plat is provided for your convenience as a guide to the general location of the subject property. The accuracy of this plat is not guaranteed, nor is it a part of any policy, report or guarantee to which it may be attached.

NOTE NO. 2: California insurance code section 12413.1 regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow account and available for withdrawal prior to disbursement. Funds deposited with the company by wire transfer may be disbursed upon receipt. Funds deposited with the company via cashier's check or teller's check drawn on a California based bank may be disbursed on the next business day after the day of deposit. If funds are deposited with the company by other methods, recording and/or disbursement may be delayed. All escrow and sub-escrow funds received by the company will be deposited with other escrow funds in one or more non-interest bearing escrow accounts of the company in a financial institution selected by the company. The company may receive certain direct or indirect benefits from the financial institution by reason of the deposit of such funds or the maintenance of such accounts with such financial institution, and the company shall have no obligation to account to the depositing party in any manner for the value of, or to pay to such party, any benefit received by the company. Those benefits may include, without limitation, credits allowed by such financial institution on loans to the company or its parent company and earnings on investments made with the proceeds of such loans, accounting, reporting and other services and products of such financial institution. Such benefits shall be deemed additional compensation of the company for its services in connection with the escrow or sub-escrow.

### WIRING INSTRUCTIONS FOR THIS OFFICE ARE:

RE: 4616153A

**PLEASE INDICATE COMMONWEALTH LAND TITLE COMPANY ESCROW OR TITLE ORDER NUMBER**

NOTE NO. 3: The charges which the company will make for next day messenger services (i.e. Federal Express, UPS, DHL, Airborne, Express mail, etc.) Are \$15.00 per letter, standard overnight service, and \$25.00 for larger size packages and/or priority delivery services. Such charges include the cost of such messenger service and the company's expenses for arranging such messenger service and its overhead and profit. Special messenger services will be billed at the cost of such services. There will be no additional charge for pick-up or delivery of packages via the company's regularly scheduled messenger runs.

Typist: lg1  
Date Typed: July 11, 2008

**Exhibit B (Revised 11-17-06)**

**CALIFORNIA LAND TITLE ASSOCIATION  
STANDARD COVERAGE POLICY - 1990**

**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

**EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.  
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10/22/03)**

**ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE**

**EXCLUSIONS**

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning:
  - a. building
  - b. zoning
  - c. Land use
  - d. improvements on the Land
  - e. Land division
  - f. environmental protection

This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.

This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
3. The right to take the Land by condemning it, unless:
  - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
  - b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking.
4. Risks:
  - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
  - b. that are Known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;
  - c. that result in no loss to You; or
  - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.d, 22, 23, 24 or 25.
5. Failure to pay value for Your Title.
6. Lack of a right:
  - a. to any Land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
  - b. in streets, alleys, or waterways that touch the Land.
 This Exclusion does not limit the coverage described in Covered Risk 11 or 18.

### LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 14, 15, 16 and 18, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A. The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
<b>Covered Risk 14:</b>	<b>1% of Policy Amount or \$2,500</b> (whichever is less)	<b>\$10,000</b>
<b>Covered Risk 15:</b>	<b>1% of Policy Amount or \$5,000</b> (whichever is less)	<b>\$25,000</b>
<b>Covered Risk 16:</b>	<b>1% of Policy Amount or \$5,000</b> (whichever is less)	<b>\$25,000</b>
<b>Covered Risk 18:</b>	<b>1% of Policy Amount or \$2,500</b> (whichever is less)	<b>\$5,000</b>

### AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)

#### EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
  - land use
  - improvements on the land
  - land division
  - environmental protection
 This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.
2. The right to take the land by condemning it, unless:
  - a notice of exercising the right appears in the public records on the Policy Date
  - the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
3. Title Risks:
  - that are created, allowed, or agreed to by you
  - that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records
  - that result in no loss to you
  - that first affect your title after the Policy Date -- this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right:
  - to any land outside the area specifically described and referred to in Item 3 of Schedule A
  - OR
  - in streets, alleys, or waterways that touch your land
 This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

### AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92) WITH ALTA ENDORSEMENT-FORM 1 COVERAGE

#### EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the

- character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
- (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy); or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
- (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
  - (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine or equitable subordination; or
  - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (a) to timely record the instrument of transfer; or
    - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following General Exceptions:

### **EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.  
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

### **2006 ALTA LOAN POLICY (06-17-06)**

#### **EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- 2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
- 4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
- 5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
- 6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - (a) a fraudulent conveyance or fraudulent transfer, or
  - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
- 7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

#### **EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

- 1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
- 2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
- 3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
- 4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
- 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records.

#### **AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92) EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

- 1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- 2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
- 3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
- 4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or

- (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
  - (a) to timely record the instrument of transfer; or
  - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage Policy will also include the following General Exceptions:

#### **EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.  
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

#### **2006 ALTA OWNER'S POLICY (06-17-06)**

#### **EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - (a) a fraudulent conveyance or fraudulent transfer; or
  - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

#### **EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records.

**ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01)****EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the Public Records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without Knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); or
  - (e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the Land is situated.
5. Invalidity or unenforceability of the lien of the Insured Mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
6. Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(e) and 26.
7. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This exclusion does not limit the coverage provided in Covered Risk 8.
8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are Known to the Insured at:
  - (a) The time of the advance; or
  - (b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.
9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.



Commonwealth Land Title Company  
3131 Camino del Rio N., #1400  
San Diego, CA 92108

Phone: (619) 686-6000  
Fax:

File No: 4616153A

## Notice to Customers

You may be eligible for a \$20.00 reduction in your title or escrow fees in this transaction charged by **Commonwealth Land Title Insurance Company** pursuant to the Final Judgments entered in People of the State of California v. LandAmerica Financial Group, Inc., et al., Sacramento Superior Court Case No. 92 AS 06111, and Taylor, et al. v. LandAmerica Financial Group, Inc., et al., Los Angeles Superior Court Case No. BC 231917. You are eligible for this \$20.00 reduction in your title or escrow fees if you meet the following requirements:

1. You are a natural person or trust;
2. Your transaction involves the purchase, sale or refinancing of residential real property containing one-to-four-dwelling units;
3. You previously purchased title insurance or escrow services involving a transaction which closed between May 19, 1995 and October 8, 2002 from one of the following companies:

LandAmerica Financial Group, Inc.  
Commonwealth Land Title Insurance Company or  
Commonwealth Land Title Company  
Lawyers Title Insurance Corporation or Lawyers Title Company  
First American Title Insurance Company, First American Title Company, First American Title Guarantee Company  
Fidelity National Financial, Inc.  
Fidelity National Title Insurance Company  
Fidelity National Title Company  
Fidelity National Title Insurance Company of California, Inc.  
Fidelity National Loan Portfolio Services  
Ticor Title Insurance Company  
Security Union Title Insurance Company  
Chicago Title Insurance Company  
Chicago Title Company  
Chicago Title and Trust Company  
Rocky Mountain Support Services, Inc.  
California Tracking Service, Inc.  
Title Accounting Services Corporation

4. You did not receive a \$65.00 cash payment from LandAmerica Financial Group, Inc. in the reconveyance fee claims process pursuant to the Final Judgments entered in People of the State of California v. LandAmerica Financial Group, Inc., et al., Sacramento Superior Court Case No. 92 AS 06111, and Taylor, et al. v. LandAmerica Financial Group, Inc., et al., Los Angeles Superior Court Case No. BC 231917.

If you meet the foregoing requirements and want the \$20.00 fee reduction complete this form and return it to your **Commonwealth Land Title Insurance Company** escrow or title officer. **NOTE: If you are eligible for the \$20.00 fee reduction please complete and return this form. You must advise us of your eligibility prior to closing in order to receive the \$20.00 fee reduction.**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone No: \_\_\_\_\_



Commonwealth Land Title Company  
3131 Camino del Rio N., #1400  
San Diego, CA 92108

Phone: (619) 686-6000

Fax:

File No: 4616153A

## Notice to Customers

You may be eligible for a \$20.00 reduction in your title or escrow fees in this transaction charged by **Commonwealth Land Title Insurance Company** pursuant to the Final Judgments entered in People of the State of California v. LandAmerica Financial Group, Inc., et al., Sacramento Superior Court Case No. 92 AS 06111, and Taylor, et al. v. LandAmerica Financial Group, Inc., et al., Los Angeles Superior Court Case No. BC 231917. You are eligible for this \$20.00 reduction in your title or escrow fees if you meet the following requirements:

1. You are a natural person or trust;
2. Your transaction involves the purchase, sale or refinancing of residential real property containing one-to-four-dwelling units;
3. You previously purchased title insurance or escrow services involving a transaction which closed between May 19, 1995 and October 8, 2002 from one of the following companies:

LandAmerica Financial Group, Inc.  
Commonwealth Land Title Insurance Company or  
Commonwealth Land Title Company  
Lawyers Title Insurance Corporation or Lawyers Title Company  
First American Title Insurance Company, First American Title Company, First American Title Guarantee Company  
Fidelity National Financial, Inc.  
Fidelity National Title Insurance Company  
Fidelity National Title Company  
Fidelity National Title Insurance Company of California, Inc.  
Fidelity National Loan Portfolio Services  
Ticor Title Insurance Company  
Security Union Title Insurance Company  
Chicago Title Insurance Company  
Chicago Title Company  
Chicago Title and Trust Company  
Rocky Mountain Support Services, Inc.  
California Tracking Service, Inc.  
Title Accounting Services Corporation

4. You did not receive a \$65.00 cash payment from LandAmerica Financial Group, Inc. in the reconveyance fee claims process pursuant to the Final Judgments entered in People of the State of California v. LandAmerica Financial Group, Inc., et al., Sacramento Superior Court Case No. 92 AS 06111, and Taylor, et al. v. LandAmerica Financial Group, Inc., et al., Los Angeles Superior Court Case No. BC 231917.

If you meet the foregoing requirements and want the \$20.00 fee reduction complete this form and return it to your **Commonwealth Land Title Insurance Company** escrow or title officer. **NOTE: If you are eligible for the \$20.00 fee reduction please complete and return this form. You must advise us of your eligibility prior to closing in order to receive the \$20.00 fee reduction.**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone No: \_\_\_\_\_

Insert Map here

## ATTACHMENT PACKET B – ITEM 10

10. TAX CLEARANCE FROM COUNTY ASSESSOR.

IMPERIAL COUNTY TREASURER-TAX COLLECTOR  
940 WEST MAIN STREET- SUITE 106  
EL CENTRO, CA 92243  
(760) 482 - 4301

**TAX CERTIFICATE - ESTIMATED TAX DUE**

The following information has been provided to assist in obtaining a TAX CERTIFICATE as required by Government Code Section 66492-66494.1. The total amount of tax due and any estimated tax due must be paid to the Imperial County Tax Collector before a Tax Certificate will be issued. The total estimated tax amount due was calculated using the most current information available to the Tax Collector. Roll corrections or Supplemental bills issued to this assessment number after the date of this estimate will result in a change to the total estimated tax amount due.

Date: 9/30/2008

Assessment Number: 059-020-007-000

Map Number:

Property Description: POR W2 SEC2 17-14 131.70AC E OF RR & W OF CANAL

Property Owner: TOWNCENTER PLAZA LLC

**TAX COMPUTATION:**

☐ No taxes due or payable at this time.

☐ Prior Year Delinquent taxes due .

☒ Current Secured Tax due.

☒ Current Supplemental Tax due.

☐ Estimated Secured Tax due for the fiscal year

☐ Estimated Supplemental Tax due for the fiscal year

\$67,912.86

\$64,429.50

\$132,342.36

**TOTAL ESTIMATED TAX DUE:**

(\*Payable in certified funds at time of map recording)

\*Notes:

Deposit Permit #

Date:

Fund #

(Tax Certificate Trust)

Prepared by  Deputy.

LETTER OF AUTHORIZATION  
TO TRANSFER DEPOSIT OF ESTIMATED TAXES

TO: Karen Vogel  
Imperial County Treasurer-Tax Collector  
940 West Main Street, Suite 106  
El Centro, CA 92243

This date, 9/29/08, I deposited \$ 152,000.00 with the  
Tax Collector as guarantee for payment on Parcel No. \_\_\_\_\_.

I hereby authorize the Tax Collector to transfer funds from this deposit for  
payment of Parcel No. 059-020-007-000  
\_\_\_\_\_ when taxes are due.

If sufficient funds are not available, I will be responsible for any additional amount  
due. Any overage will be refunded to me.

I understand that the money deposited will be applied to the whole parcel as  
recorded. No funds can be applied to a portion of the property.

[Signature]  
Signature of Depositor

TownCenter Plaza, LLC  
Name of Property Owner if Different  
(Please Print)

Kevin Smith  
Name of Depositor (Please Print)

TownCenter Plaza LLC 9089 Clairemont Mesa Blvd Suite #100  
Mailing Address (Please Print)

San Diego CA 92123  
City/State/Zip Code (Please Print)

Assessment Year As of Date Owner

990-039-203-000 2006 Tue 09/30/2008 TOWNCENTER PLAZA LLC

Debt SB813 SUPLS FOR TRANSFERS

Simul1

Simul2

Fee Parcel 059-020-007-000

Orig Assmt 059-020-007-000

Supplemental Count 2

Rate A00 - 0.000 rate - (0%)

Address

C/O THOMAS C NELSON

550 WEST C ST #1850

SAN DIEGO CA 92101

Courtue

Loan #

Name

Phone Lender #

Taxes	1	2	Total
-------	---	---	-------

PAID PAID

Date 09/30/2008 09/30/2008

Total Due \$2,386.44 \$2,386.44 \$4,772.88

Total Paid \$2,386.44 \$2,386.44 \$4,772.88

Balance \$0.00 \$0.00 \$0.00

Status C TRA 002-017

Bill Type SP Event Dt 05/07/2007

Taxability 000 Printed Dt 07/23/2008

Roll Type C Acres 0

DEFAULT ROLL CHANGES BANKRUPTCY LIEN FEES ADD NOTE

Assmt Owners Values Tax Codes Taxes Part Pays Coll. Refunds R/C Refunds Supl Index

Assessment

Year

As of Date

Owner

991-039-203-000

2007

Tue 09/30/2008

TOWNCENTER PLAZA LLC

Deer

SECOND SUPLS (JAN - MAY)

Situz1

Situz2

Fee Parcel

059-020-007-000

Orig Assmt

059-020-007-000

Supplemental Count

2

Rate A00 - 0.000 rate - (0%)

Address

C/O THOMAS C NELSON

550 WEST C ST #1850

SAN DIEGO CA 92101

Contact

Loan #

Name

Phone

Lender #

1

2

Total

PAID

09/30/2008

PAID

09/30/2008

\$29,828.31

\$29,828.31

\$29,828.31

\$29,828.31

\$29,828.31

\$0.00

\$0.00

\$0.00

Status

C

TRA

002-017

Bill Type

SP

Event Dt

05/07/2007

Taxability

000

Printed Dt

07/23/2008

Roll Type

C

Acres

0

DEFAULT

ROLL CHANGES

BANKRUPTCY

LIEN

FEES

ADD NOTE

Assmt

Owners

Values

Tax Codes

Taxes

Part Pays

Coll. Refunds

R/C Refunds

Supl Index

Summary

Find

Assessment Year As of Date

Owner

059-020-007-000

2008

Tue 09/30/2008

TOWANCENTER PLAZA LLC

Desc

Situz1

Situz2

Fee Parcel

059-020-007-000

Orig Assmt

059-020-007-000

Supplemental Count

2

Rate A00 - 0.000 rate - ( 0% )

Address

C/O THOMAS C NELSON

550 WEST C ST #1850

SAN DIEGO CA 92101

Cortac

Loan #

Name

Phone

Lender #

Times

1

2

Total

PAID

PAID

Date

09/30/2008

09/30/2008

Total Due

\$33,956.43

\$33,956.43

\$67,912.86

Total Paid

\$33,956.43

\$33,956.43

\$67,912.86

Rollback

\$0.00

\$0.00

\$0.00

Status

C

TRA

002-017

Bill Type

SP

Event Dt

Taxability

000

Printed Dt

09/09/2008

Roll Type

S

Lot Sqr Ft

0

DEFAULT

ROLL CHARGES

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